DIGIMAX GLOBAL INC.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JANUARY 31, 2022, AND 2021

(EXPRESSED IN CANADIAN DOLLARS)

To the Shareholders of Digimax Global Inc.

The accompanying consolidated financial statements and other financial information in this annual report were prepared by management of Digimax Global Inc. (the "Company"), reviewed by the Audit Committee and approved by the Board of Directors.

Management is responsible for the consolidated financial statements and believes that they fairly present the Company's financial position and results of operations in conformity with International Financial Reporting Standards. Management has included in the Company's consolidated financial statements amounts based on estimates and judgments that it believes are reasonable, under the circumstances.

To discharge its responsibilities for financial reporting and safeguarding of assets, management believes that it has established appropriate systems of internal accounting control which provide reasonable assurance that the financial records are reliable and form a proper basis for the timely and accurate preparation of consolidated financial statements. Consistent with the concept of reasonable assurance, the Company recognizes that the relative cost of maintaining these controls should not exceed their expected benefits. Management further assures the quality of the financial records through careful selection and training of personnel and through the adoption and communication of financial and other relevant policies.

The consolidated financial statements for the year ended January 31, 2022 have been audited by the Company's auditors, Clearhouse LLP, and their report is presented herein.

"Chris Carl"
Chris Carl
Chief Executive Officer

"David Bhumgara"
David Bhumgara
Chief Financial Officer

Toronto, Canada
May 31, 2022

CLEARHOUSE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Digimax Global Inc

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Digimax Global Inc. (the Company), which comprise the consolidated statements of financial position as at January 31, 2022 and 2021, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2022 and 2021 and its financial performance and its cash flows for the years then ended, in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Relating to Going Concern

We draw your attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a comprehensive loss of $14,694,482 for the year ended January 31, 2022. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the annual management's discussion and analysis, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

CLEARHOUSE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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

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

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

Clearhouse LLP

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
May 31, 2022

DIGIMAX GLOBAL INC.

Audited Consolidated Statements of Financial Position
As at January 31, 2022, and January 31, 2021

(Expressed in Canadian dollars)

			January 31, 2022		January 31, 2021
ASSETS					
Current Assets					
Cash and cash equivalents		$	5,342,266	$	1,241,674
HST and other receivables			69,335		187,480
Prepaid expenses			79,821		376,133
Investments	6		7,270,666		195,003
Digital currencies	7		1,828,834		-
			14,590,922		2,000,290
Non-current Assets					
Intangible assets	8		-		3,786,667
Right-of-use asset	9		95,677		-
			95,677		3,786,667
Total Assets		$	14,686,599	$	5,786,957
LIABILITIES					
Current Liabilities					
Accounts payable and accrued liabilities	10	$	531,508	$	188,404
Derivative liabilties	11		-		175,865
Income tax payable	15		-		12,396
Lease liability	9		49,936		-
Note payable	4		95,850		-
Deferred revenue			4,046		-
			681,340		376,665
Non-current Liabilities					
Lease liability	9		50,595		-
Total Liabilities			731,935		376,665
SHAREHOLDERS' EQUITY					
Share capital	12		19,578,960		9,353,971
Shares to be issued	12		-		75,000
Warrants reserve	13		10,317,590		933,850
Share based payments reserve	14		4,316,110		610,985
Accumulated deficit			(21,015,486)		(5,563,514)
Accumulated other comprehensive income			757,490		-
Total Shareholders' Equity			13,954,664		5,410,292
Total Liabilities and Shareholders' Equity		$	14,686,599	$	5,786,957

Nature of operations and going concern (Note 1)
Commitments (Note 18)
Subsequent events (Note 21)

Approved on behalf of the Board on May 31, 2022:

"Chris Carl"	*"Michael Kron"*
Director	Director

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

DIGIMAX GLOBAL INC.

Audited Consolidated Statements of Loss and Comprehensive Loss
For the years ended January 31, 2022, and 2021

(Expressed in Canadian dollars)

	Notes	2022	2021
Revenues			
Advisory fees		$ -	$ 278,561
Subscription fees		92,465	-
Total Revenues		**92,465**	**278,561**
Expenses			
Consulting fees	17	2,518,399	343,883
Professional fees		327,802	165,475
Investor relations		616,624	291,250
Business development		1,374,449	273,067
General and administration		487,536	118,433
Amortization expense	8	2,293,197	245,610
Share based compensation	12,13,14,17	4,259,196	620,827
Research expenses		321,930	128,325
Total Expenses		**(12,199,133)**	**(2,186,870)**
		(12,106,668)	**(1,908,309)**
Other income/(expenses)			
Interest, finance and accretion expense		(18,334)	(326,035)
Acquisitiion costs, net	4	-	(23,316)
Realized loss on sale of digitial currencies	7	(710,498)	-
Gain/(Loss) on revaluation of derivative liabilities	11	175,865	(157,465)
Foreign exchange gain		99,884	-
Interest earned on investments		39,070	-
Realized gain on sale of DCC	19	67,689	-
Impairment on intangible assets	8	(2,021,158)	-
Unrealized loss on investments	6	(748,326)	-
Net Loss from continuing operations		**(15,222,476)**	**(2,415,125)**
Income/(Loss) from discontinued operations	19	(229,496)	239,342
Net loss before income tax expense		**(15,451,972)**	**(2,175,783)**
Income tax expense	**15**	**-**	**-**
Net loss for the period		**(15,451,972)**	**(2,175,783)**
Other comprehensive income			
Unrealized gain/(loss) on digital currencies	7	757,490	-
Other comprehensive income for the period		**757,490**	**-**
Comprehensive loss for the period		**(14,694,482)**	**(2,175,783)**
Weighted average shares outstanding			
- Basic and diluted, continuing operations		262,011,013	97,096,430
Loss per share from continuing operations - basic and diluted		$ (0.06)	$ (0.02)
Loss per share from discontinued operations - basic and diluted		$ (0.00)	$ 0.00

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

DIGMAX GLOBAL INC.
Audited Consolidated Statements of Cash Flows
For the years ended January 31, 2022, and 2021

(Expressed in Canadian dollars)

	Notes		2022		2021
Cash Flows from Operating Activities					
Net loss for the period		$	(15,451,972)	$	(2,175,783)
Non-cash items:					
Net loss/(earnings) from discontinued operations for the period	19		229,496		(239,342)
Realized loss on digital currencies	7		710,498		-
Amortization expense	8		2,293,197		245,610
Impairment of intangible assets	8		2,021,158		15,148
Realized gain on sale of DCC	19		(67,689)		-
Non cash consulting expense			332,110		-
Unrealized loss/(gain) on investments	6		748,326		-
Foreign exchange gain			(99,884)		-
Gain on acquisition of DataNavee			-		(26,394)
(Gain)/loss on revaluation of derivative liabilities			(175,865)		157,465
Interest, finance and accretion expense			-		326,035
Shares issued for services	14		296,500		248,126
Share based compensation	12,13,14		4,259,196		620,827
			(4,904,929)		(828,308)
Net change in non-cash working capital items:					
HST and other receivables			118,145		(99,244)
Prepaid expense			296,312		(376,133)
Deferred revenue			4,046		-
Income tax payable			(12,396)		
Accounts payable and accrued liabilities			337,396		66,120
Cash used in continuing operations			(4,161,426)		(1,237,565)
Cash (used in)/provided from discontinued operations	19		89,209		30,918
Cash Flows used in operating activities			**(4,072,217)**		**(1,206,647)**
Cash Flows from Financing Activities					
Proceeds from issuance of units	12		18,331,099		1,427,500
Issuance costs	12		(1,591,894)		(83,600)
Proceeds from the exercise of warrants and options	13		1,560,160		922,500
Principal payments of lease liability	9		(28,425)		-
Interest paid on debentures	11		-		(112,012)
Cash Flows from financing activities			**18,270,940**		**2,154,388**
Cash Flows from Investing Activities					
Purchase of investments	6		(7,897,319)		-
Acquisition of Delphi	4		(286,178)		
Development costs	8		(135,103)		-
Purchase of digital currencies	7		(122,087,210)		-
Sales of digital currencies	7		120,305,368		-
Cash flows used in continued investing activities			(10,100,442)		-
Cash flows provided from discontinued investing activities	19		2,311		86,793
Cash Flows (used in)/provided from investing activities			**(10,098,131)**		**86,793**
Increase in cash			**4,100,592**		**1,034,534**
Cash, beginning of the year			1,241,674		207,140
Cash, end of the year		**$**	**5,342,266**	**$**	**1,241,674**

Supplemental disclosure of cash flow information		
Interest paid	-	112,012
Warrants issued for services	332,110	-

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

DIGMAX GLOBAL INC.
Audited Consolidated Statements of Changes in Equity (Deficiency)
For the years ended January 31, 2022, and 2021

(Expressed in Canadian dollars)

	Share Capital			Reserves				
	Number of shares	Dollar amount	Shares to be issued	Share based Payments	Warrants	Deficit	Accumulated Other Comprehensive Income	Total
Balance, January 31, 2020	**60,590,909**	**$ 2,801,381**	**$ -**	**$ 219,054**	**$ -**	**$ (3,387,731)**	**$ -**	**$ (367,296)**
Issuance of shares on private placement (Note 12 (ii))	26,900,000	721,615	-	-	684,391	-	-	1,406,006
Share issue costs - cash	-	(83,600)	-	-	-	-	-	(83,600)
Share issue costs - warrants	-	(290,797)	-	-	290,797	-	-	-
Shares and warrants issued on acquisition (Note 12 (iii) (v))	60,000,000	3,850,000	-	-	147,380	-	-	3,997,380
Shares and warrants issued to settle debt (Note 12 (i) (iv))	3,210,456	167,523	-	-	49,773	-	-	217,296
Shares issued on conversion of debentures (Note 12 (vi))	20,840,000	797,962	-	-	-	-	-	797,962
Exercise of warrants	11,550,000	815,991	50,000	-	(238,491)	-	-	627,500
Exercise of options	5,700,000	573,896	25,000	(228,896)	-	-	-	370,000
Share based payments	-	-	-	620,827	-	-	-	620,827
Net loss and comprehensive loss, continuing operations	-	-	-	-	-	(2,415,125)	-	(2,415,125)
Net earnings, discontinued operations	-	-	-	-	-	239,342	-	239,342
Balance, January 31, 2021	**188,791,365**	**$ 9,353,971**	**$ 75,000**	**$ 610,985**	**$ 933,850**	**$ (5,563,514)**	**$ -**	**$ 5,410,292**
Issuance of units on private placement (Note 12 (vii) (viii))	52,374,570	9,429,517	-	-	8,901,582	-	-	18,331,099
Share issue costs - cash	-	(1,591,894)	-	-	-	-	-	(1,591,894)
Share issue costs - broker warrants	-	(680,793)	-	-	680,793	-	-	-
Shares issued to settle debt (Note 12 (ix))	996,078	296,500	-	-	-	-	-	296,500
Exercise of warrants (Note 13)	22,503,000	1,639,502	(25,000)	-	(530,745)	-	-	1,083,757
Exercise of options (Note 14)	5,200,000	856,157	(50,000)	(306,157)	-	-	-	500,000
Shares issued on RSUs vested (Note 14)	1,200,000	276,000	-	(276,000)	-	-	-	-
Options issued on Delphi acquisition	-	-	-	28,086	-	-	-	28,086
Share based payments	-	-	-	4,259,196	332,110	-	-	4,591,306
Other comprehensive income (Note 7)	-	-	-	-	-	-	757,490	757,490
Net loss, continuing operations	-	-	-	-	-	(15,222,476)	-	(15,222,476)
Net loss, discontinued operations	-	-	-	-	-	(229,496)	-	(229,496)
Balance, January 31, 2022	**271,065,013**	**$ 19,578,960**	**$ -**	**$ 4,316,110**	**$ 10,317,590**	**$ (21,015,486)**	**$ 757,490**	**$ 13,954,664**

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

1. NATURE OF BUSINESS AND GOING CONCERN

Digimax Global Inc. (the "**Company**") was incorporated on December 11, 1998, under the laws of the Province of Ontario, Canada. The registered office and principal place of business of the Company is 390 Bay St. Toronto ON M5H 2Y2.

The Company, is focused on utilizing advanced financial technologies, together with predictive analytics derived from artificial intelligence-based machine learning, to provide its customers with products and services in multiple market sectors.

The Company is listed on the Canadian Securities Exchange ("CSE") and trades under the symbol "DIGI".

Going Concern

As at January 31, 2022, the Company had working capital of $13,909,582 (January 31, 2021 – $1,623,625) had not yet achieved profitable operations, had accumulated losses of $21,015,486 (January 31, 2021 - $5,563,514), and currently expects to incur further losses in the development of its business.

The Company has $5,342,266 of cash at January 31, 2022, which provides the Company with sufficient working capital to fund the Company's planned next 12 months of operating activities. However, from time to time, the Company may pursue the raising of funds by an equity investment, debt borrowing or a combination of both. The Company has yet achieve positive cashflow from operations, therefore there is no assurance that the operations of the Company and any future operations will be successful and profitable. These conditions raise material uncertainties which casts significant doubt as to the use of the going concern assumption in these financial statements.

These audited financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

These audited financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

Covid-19

The outbreak of the novel strain of corona virus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. The Company cannot accurately predict the impact COVID-19 will have on third parties' ability to meet their obligations with the Company, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In particular, the continued spread of COVID-19 globally could materially and adversely impact the Company's business including without limitation, employee health, workplace productivity, and other factors that will depend on future developments beyond the Company's control. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries resulting in an economic downturn that could negatively impact the Company's financial position, financial performance, cash flows, and its ability to raise capital. Since the initial outset of the pandemic, the Company did not experience a significant decline in sales for most of the operating businesses. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

2. BASIS OF PRESENTATION

(a) Basis of presentation and statement of compliance

The Company's have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

These consolidated financial statements were approved and authorized by the Company's Board of Directors on May 31, 2022.

(b) Basis of measurement

These consolidated financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments that are measured at fair value, as explained in the accounting policies described herein.

(c) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany balances and transactions were eliminated on consolidation. Subsidiaries are entities the Company controls when it has the power, directly or indirectly to govern the financial and operating policies of an entity, and it is exposed, or has rights, to variable returns from its involvement with the entity.

Subsidiaries	**Jurisdiction of incorporation**	**Ownership interest**
2618249 Ontario Corp.	Ontario, Canada	100%
DataNavee Corporation	Ontario, Canada	100%
Digimax Fund SPC	Cayman Islands	80%
Digimax Global BVI inc.	Cayman Islands	100%
Delphi Crypto AiCi	USA	100%

(d) Functional and presentation currency

All figures presented in the consolidated financial statements are reflected in Canadian dollars, which is the functional currency of the parent and all of the Company's owned subsidiaries. Foreign currency transactions are translated into Canadian dollars at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the consolidated statement of financial position date are translated to Canadian dollars at the foreign exchange rate applicable at that date. Realized and unrealized exchange gains or losses are recognized through profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction unless it is measured at fair value in which case it is translated using the exchange rate at the date when the fair value was measured.

(e) Significant judgments, estimates and assumptions

The preparation of these consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgements include but are not limited to the following:

i. Measurement of warrants received as revenue and fair value measurement of investments at reporting period ends

The Company measures warrants received in connection with concession fees earned using Black-Scholes pricing model, taking into account the terms and conditions upon which the instruments are granted. The Company conducts a fair value remeasurement of any outstanding unexercised warrants received at each reporting date. Estimating fair value for investments requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the warrants, volatility and dividend yield and making assumptions about them. Changes in the input assumptions can materially affect the fair value estimate.

ii. Estimated useful lives, amortization of intangible assets, and impairment testing

Amortization of intangible assets is recorded on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any. Intangible assets that have indefinite useful lives are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The assessment of any impairment is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

iii. Business Combinations

Classification of an acquisition as a business combination or an asset acquisition depends on whether the assets acquired constitute a business, which can be a complex judgment. Whether an acquisition is classified as a business combination or asset acquisition can have a significant impact on the entries made on and after acquisition.

In determining the fair value of all identifiable assets and liabilities acquired, the most significant estimates relate to intangible assets. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. The evaluations are linked closely to the assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

iv. Determination of fair value of equity settled transactions using option pricing models

The Company measures the cost of equity-settled transactions consisting of stock options and share purchase warrants offered to service providers and employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them. Changes in the input assumptions can materially affect the fair value estimate. The Company uses the Black-Scholes Option Pricing Model to calculate the fair value.

v. Share-based payments

The Company measures equity-settled share-based payment transactions based on an estimate of the fair value of goods or services received, unless that fair value cannot be estimated reliably, in which case the Company measures the fair value of the goods or services received based on the fair value of the equity instruments granted.

vi. Warrants

The Company uses the Black-Scholes model to calculate the value of warrants issued as part of the Company's private placements. The Black-Scholes model requires six key inputs to determine a value of warrants: risk-free interest rate, exercise price, market price at the date of issuance, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates which involve considerable judgment and are or could be, affected by significant factors that are out of the Company's control. For example, a longer expected life of the warrants or higher volatility number used would result in an increase in the warrant value.

vii. Income taxes

The Company applies judgment in determining the tax rates applicable to the temporary differences to determine the provision for income taxes. Deferred taxes relate to temporary differences between accounting and tax asset values. They are measured using tax rates that are expected to apply in the year when the asset is realized, or the liability is settled. Temporary differences are differences between accounting and tax asset values expected to be deductible or taxable in the future.

The recognition of deferred tax assets is based on likelihood of future taxable income. The measurement of future taxable income for the purposes of determining whether or not to recognize deferred tax assets depends on many factors, including the Company's ability to generate such profits and the implementation of effective tax planning strategies. The occurrence or non-occurrence of such events in the future may lead to significant changes in the measurement of deferred tax assets.

viii. Impairment of intangible assets

Intangible assets are tested for impairment annually and whenever events or changes in circumstances indicate that the carrying amount of intangible assets has been impaired. In order to determine if the value of intangible assets have been impaired, the cash-generating unit to which the intangible assets have been allocated must be valued using present value techniques. When applying this valuation technique, the Company relies on a number of factors, including historical results, business plans, forecasts and market data. Changes in the conditions for these judgments and estimates can significantly affect the assessed value of the intangible assets.

ix. Development costs

The capitalization of costs for internally generated intangible assets is subject to judgment including the technical feasibility, timeframe to commercialization, assessment of availability of resources to complete the project, and if economic benefits will be generated from its use.

x. Derivative liabilities

The Company values derivative liabilities by reference to their fair value at the date at which the instrument is granted. Estimating fair value requires determining the most appropriate valuation model. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life and volatility and making assumptions about them. Changes in the input assumptions can materially affect the fair value estimate. The Company uses the Black-Scholes Option Pricing Model to calculate the fair value.

xi. Digital currencies

There is limited guidance on the recognition and measurement of digital currencies. The Company has to use judgement to determine fair value of certain digital currencies where their maybe resale restrictions or limited market volume in determine the fair value of certain digital currencies.

xii. Fair value of investments

The Company holds an investment in public, and private companies and are recorded in the Company's consolidated statements of financial position at values that are representative of, or approximate fair value. The fair value of a financial instrument that is traded in active markets at each reporting date is determined by reference to its quoted market price or dealer price quotations. For all other financial instruments carried at fair value, the fair value is determined using valuation techniques. Such techniques may reflect recent arm's length transactions in trading of the underlying financial instrument, reference to the current fair value of another instrument that has substantially the same terms, valuations of comparable companies, or discounted income or cash flow analysis. By their nature, these valuation models require the use of assumptions. Changes in the underlying assumptions of these models could materially impact the determination of the fair value of a financial instrument. Imprecision in determining fair value using these valuation techniques may affect the amount of net loss recorded for a particular investment in a particular period. The Company reviews assumptions relating to financial instruments on an ongoing basis to ensure that the basis for the determination of fair value is appropriate.

xiii. Determination of Cash-Generating Units ("CGU")

Management is required to use judgment in determining the grouping of assets to identify their CGUs for purpose of testing for impairment. Judgement is further required to determine appropriate groupings of CGUs for the level at which intangible assets and any other assets requiring testing for impairment are tested for impairment. CGUs are based on an assessment of the unit's ability to generate independent cash inflows. The determination of these CGU's was based on management's judgement in regard to several factors such as shared infrastructure, geographical proximity, and exposure to market risk and materiality.

xiv. Functional and presentation currency

In determining the functional currency of the parent and its subsidiary, the Company considers the currency that mainly influences sales and the cost of providing goods and services in each jurisdiction in each the Company operates. The Company also considered secondary indicators including the currency in which funds from financing activities are denominated, the currency in which funds are retained and whether the activities of the subsidiaries are carried out as an extension of the Company or if they are carried out with a degree of autonomy

xv. Going Concern

The assessment of the Company's ability to continue as a going concern involves judgement regarding future funding available for its operations and working capital requirements as discussed in Note 1.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of the consolidated financial statements are set out below:

(a) Cash

The Company defines cash as highly liquid investments held for the purpose of meeting short term cash commitments that are readily convertible into known amounts of cash.

(b) Investments

Investments are comprised of financial instruments that are recognized initially at fair value and subsequently adjusted to fair value through profit or loss ("FVTPL"). The Company records its initial investment at cost which approximates fair value in private companies in which it doesn't have significant influence as portfolio investments.

(c) Receivable and Expected Credit Loss

Accounts receivables are recorded at the invoiced amount and do not bear interest. Expected credit losses reflect the Company's estimate of amounts in its existing accounts receivable that may not be collected due to customer claims or customer inability or unwillingness to pay. Collectability of receivables is reviewed on an ongoing basis.

The expected credit loss is determined based on a combination of factors, including the Company's risk assessment regarding the credit worthiness of its customers, historical collection experience and length of time the receivables are past due. For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the consolidated statement of financial position as a deduction from the gross carrying amount of the financial asset.

(d) Digital currencies

The Company's digital currencies are comprised of cryptocurrencies which are limited in supply, created and traded through open-source software and used as both a means of exchange and a store of value. Cryptocurrencies meet the definition of intangible assets in IAS 38 Intangible Assets as they are identifiable non-monetary assets without physical substance. On the date acquired, cryptocurrencies are initially recorded at cost and the revaluation method is used to measure the cryptocurrencies subsequently. Under the revaluation method, increases in fair value are recorded in other comprehensive income, while decreases are recorded in profit or loss. There is no recycling of gains from other comprehensive income to profit or loss. However, to the extent that an increase in fair value reverses a previous decrease in fair value that has been recorded in profit or loss, that increase is recorded in profit or loss. The cryptocurrencies are recorded on the statement of financial position at their fair value at the time of acquisition, which is determined using CoinMarketCap, an online coin price aggregator. The cryptocurrencies are subsequently re-measured at the end of each financial reporting period using CoinMarketCap's rate as at the period end date.

Digital currencies are measured using level 2 fair values, determined by taking the rate from www.coinmarketcap.com.

Digital currencies risk

Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. The profitability of the Company is directly related to the current and future market price of digital assets. In addition, the Company may not be able liquidate its digital currency at its desired price if required. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its sales of digital assets. Digital assets have a limited history, and the fair value historically has been very volatile. Historical performance of digital assets is not indicative of their future price performance.

(e) Financial instruments

Financial assets and financial liabilities, note payable and derivatives, are recognized on the consolidated statement of financial position when the Company becomes party to the financial instrument or derivative contract.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading including all derivative instruments are classified as FVTPL. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure them at FVTPL.

(Expressed in Canadian Dollars)

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The carrying value of the Company's financial assets held at amortized cost approximates fair value. All other financial assets are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition). For financial liabilities measured subsequently at FVTPL, changes in fair value due to credit risk are recorded in other comprehensive income.

The component parts of compound instruments issued by the Company are classified separately as financial liabilities in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability is measured separately using an estimated market rate for a similar liability without an equity component and the residual is allocated to the conversion option. The liability component is subsequently recognized on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

Fair value is measured using a fair value hierarchy that reflects the significance of the inputs used to make the measurements. The hierarchy is summarized as follows:

- Level 1 - quoted prices (unadjusted) that are in active markets for identical assets or liabilities
- Level 2 - inputs that are observable for the asset or liability, either directly (prices) for similar assets or liabilities in active markets or indirectly (derived from prices) for identical assets or liabilities in markets with insufficient volume or infrequent transactions
- Level 3 - inputs for assets or liabilities that are not based upon observable market data

The following table summarized those financial assets and financial liabilities that are included in the Company's financial statements of financial position. These asset and liabilities have been categorized into hierarchical levels, according to the significance of the inputs used in determining fair value measurements.

		Fair Value Hierarchy			
Financial Instrument	**Classification**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Cash and cash equivalents	FVTPL	5,342,266	-	-	5,342,266
Investments	FVTPL/Amortized cost	-	-	7,270,666	7,270,666
HST and other receivables	Amortized cost	-	-	69,335	69,335
Financial Liabilities					
Accounts payable and accrued liabilities	Amortized cost	-	-	531,508	531,508
Note payable	Amortized cost	-	-	95,850	95,850

Impairment of financial assets at amortized cost

The Company assesses all information available, including on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information. For receivables only, the Company applies the simplified approach as permitted by IFRS 9. The simplified approach to the recognition of expected losses does not require the Company to track the changes in credit risk; rather, the Company recognizes a loss allowance based on lifetime expected credit losses at each reporting date from the date of the receivable.

Evidence of impairment may include indications that the counterparty debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. Receivables are reviewed qualitatively on a case-by-case basis to determine whether they need to be written off.

Expected credit losses are measured as the difference in the present value of the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive. The Company assesses all information available, including past due status, credit ratings, the existence of third-party insurance, and forward looking macro-economic factors in the measurement of the expected credit losses associated with its assets carried at amortized cost.

The Company measures expected credit loss by considering the risk of default over the contract period and incorporates forward-looking information into its measurement.

Derecognition

Financial assets

The Company derecognizes financial assets when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains or losses on derecognition are generally recognized in the consolidated statement of loss and comprehensive loss.

Financial liabilities

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 the consolidated statement of loss and comprehensive loss.

(f) Leases

IFRS 16 introduced a single, on-balance sheet accounting model for leases. The Company, as a lessee, has recognized right-of use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

The Company recognized a right-of-use asset and a lease liability at the lease commencement date of June 15, 2021. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation or impairment losses and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company primarily uses its incremental borrowing rate as the discount rate. The weighted average discount rate used was 10.5% at the time of adoption June 15, 2021. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has furthermore applied judgment to determine the applicable discount rate. The discount rate is based on the Company's incremental borrowing rate and reflects the current market assessments of the time value of money and the associated risks for which the estimates of future cash flows have not been adjusted for.

(g) Intangible assets

Intangible assets are stated at cost, net of accumulated amortization and accumulated impairment losses, if any.

(h) Impairment of non-financial assets

Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. Finite life intangible assets not yet available for use are tested annually for impairment.

An asset’s recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. An impairment loss is recognized immediately in profit or loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount, but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. An impairment loss is reversed when there has been a change in estimate that is relevant for the determination of the asset's recoverable amount since the last impairment loss was recognized.

(i) Restricted share units

The Company issues restricted share unit (“RSU”) awards from time to time to directors, employees and consultants. RSU entitles the recipients to receive one common share of the Company on vesting. The fair value of RSU were determined by the Company’s share price on the date of the award and recorded in accordance with the vesting provisions and included as part of share-based compensation in the statements of loss and comprehensive loss for the period.

(j) Share-based payments

Employees (including directors and senior executives) of the Company receive a portion of their remuneration in the form of share-based payment transactions, whereby they render services as consideration for equity instruments (“equity-settled transactions”).

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically measured, they are measured at fair value of the share-based payment. The fair value of the share-based payments is recognized together with a corresponding increase in equity over a period that services are provided, or goods are received.

The costs of equity settled transactions with employees are measured by reference to the fair value at the date on which they are granted. The costs of equity settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative cost recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in contributed surplus. Upon exercise of the stock options, the consideration paid, together with the amount previously recognized in contributed surplus, is recorded as an increase in share capital. No expense is recognized for awards that do not ultimately vest. The dilutive effect of outstanding options is reflected as additional dilution in the computation of earnings per share.

The Company uses the Black-Scholes Option Pricing Model to calculate the fair value of stock options and of common share purchase warrants issued. The model requires the input of subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options and common share purchase warrants.

(k) Revenue from subscription fees

Revenue recognition policy

During the year, the Company derived its revenues subscription fees from clients using the Company's Cyptohawk.ai predictive cryptocurrency application.

Subscription fees are earned as software-as-a-service (SaaS) when online subscribers register and pay for monthly subscription to the Company's recently launched CryptoHawk.ai price predictor indicator software. SaaS allows a client access to the Company's software on the platform hosted by a third party without taking possession of the software. The Company's subscription service contracts do not provide for refunds or any other rights of return to merchants in the event of cancellations.

During the year, SaaS was offered either on a month-to-month basis or an annual subscription. Where fees are fixed for the term, revenue is recognized rateably over the term commencing when the customer has the right to access the platform.

(l) Development costs

Development costs consist of costs incurred to develop the app to earn revenue with respect to the Company's business operations. Development costs are capitalized in accordance with IAS 38, *Intangible Assets*, and accordingly are recognized when the Company can demonstrate (i) the technical feasibility of the asset, (ii) the intention to complete and use or sell the asset, (iii) the ability to use or sell the asset, (iv) how the intangible asset will generate probable future economic benefits, (v) the availability of adequate technical, financial and other resources to complete the app and to use or sell the asset, and (vi) ability to reliably measure the expenditure attributable to the asset during its development. Costs that do not meet these criteria are considered research costs and are expensed as incurred.

Intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses, if any. Software and platform development costs are intangible assets with a finite useful life, and accordingly are amortized over the assets' estimated useful life commencing when the asset was available for use, being when it is in the condition necessary for it to be capable of operating in the manner intended by management.

Software development costs are amortized on a straight-line basis over 2 years. The Company had a change in estimate during the year as it had previously amortized on a straight-line basis over 5 years.

When a project is deemed to no longer have commercially viable prospects to the Company, development expenditures in respect of that project are deemed to be impaired. As a result, those development costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss.

(m) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(n) Taxation

Income tax expense represents the sum of tax currently payable and any deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax

Deferred taxation is recognized using the liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred taxation is not recognized if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred taxation is determined using tax rates (and laws) that have been enacted.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

(o) Share Issuance costs

Costs incurred in connection with the issuance of share capital are netted against the proceeds received. Costs related to the issuance of share capital and incurred prior to issuance are recorded as deferred share issuance costs and subsequently netted against proceeds when they are received.

(p) Share Capital

In situations where the Company issues units, the value of units is bifurcated (using the residual method) and the value of warrants is included as a separate reserve of the Company's equity.

(q) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

(Expressed in Canadian Dollars)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

(r) Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes conversion, exercise or contingent issuance of options, warrants and securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share.

(s) New standards and interpretations

New standards not yet adopted and interpretations issued but not yet effective

At the date of authorization of these consolidated Financial Statements, the IASB and the IFRS Interpretations Committee have issued certain new and revised Standards and Interpretations which are not yet effective. Many are not applicable or do not have a significant impact to the Company and have been excluded from these consolidated financial statements. The Company has not early adopted and is currently assessing what impact the application of these standards or amendments will have on the consolidated financial statements of the Company.

4. ACQUISITIONS

DataNavee

On September 18, 2020, the Company acquired DataNavee Corporation. Pursuant to the terms of the share purchase and exchange agreement, the Company issued the shareholders of DataNavee (the “Vendors”) 55,000,000 common shares (the “Consideration Shares”) in exchange for 100% of the issued and outstanding shares of DataNavee. Accordingly, DataNavee is now a wholly owned subsidiary of the Company. The Consideration Shares are subject to contractual hold periods resulting in them being transferable in four tranches including 25% immediately, 25% four months after today’s date, 25% eight months after today’s date, and 25% twelve months after today’s date.

Since DataNavee did not meet the definition of a business under *IFRS 3 – Business Combinations*, the acquisition was accounted for as a purchase of DataNavee’s assets. The consideration paid was determined as equity-settled share-based payments under IFRS 2, at the fair value of the equity of the Company issued to the shareholders of DataNavee on the date of closing as noted above. IFRS 2 requires the shares issued for the acquisition of the net assets of DataNavee to be measured at the fair value of the net assets, unless the fair value cannot be reliably estimated.

The following represent the final fair value allocation to identifiable net assets acquired at January 31, 2021.

		Total
Accounts receivable		6
Other receivables		630
Developed software technology		3,051,394
Accounts payable and accrued liabilities		(27,030)
	$	**3,025,000**

Fair value of consideration paid:		
Common Shares		3,025,000
	$	3,025,000

(Expressed in Canadian Dollars)

Darwin Ecosystem

On November 13, 2020, the Company announced that it has signed a Definitive Letter of Intent (the "LOI") with NELI International Incorporated ("NELI") to acquire, by way of private sale to acquire, substantially all of the assets of Darwin Ecosystem, based in Texas, USA. On December 21, 2020, the Company announced it has executed the final asset purchase agreement with NELI. Pursuant to the Asset Purchase, the Company has acquired substantially all of the assets of Darwin Ecosystem, based in Texas, USA (the "Assets") by way of the issuance of units of the Company valued at the time of the LOI at $300,000. The purchase price of the Assets was satisfied through the issuance of units of the Company (the "Units") at a price of $0.17 per Unit on the date of close on the transaction. Each Unit consists of one common share of the Company and one common share purchase warrant, exercisable for a period of two years from the date of issuance at a price of $0.075 per share. The Units will be placed in escrow, then 50% of the Units will be released four months and one day from the date hereof (the "Closing Date"), 25% released eight months from the Closing Date and the remaining 25% released 12 months from the Closing Date. In addition, the Company issued 5,000,000 Warrants with an exercise price of $0.075 and an expiry date of December 18, 2022, to an arm's length consultant.

Since Darwin Ecosystem did not meet the definition of a business under *IFRS 3 – Business Combinations*, the acquisition was accounted for as a purchase of Darwin's assets. The consideration paid was determined as equity-settled share-based payments under IFRS 2, at the fair value of the equity of the Company issued to NELI on the date of closing as noted above. IFRS 2 requires the shares issued for the acquisition of the net assets of Darwin to be measured at the fair value of the net assets, unless the fair value cannot be reliably estimated.

The following represent the final fair value allocation to identifiable net assets acquired at January 31, 2021:

		Total
Developed software technology (Patentable)	$	980,883
	$	**980,883**
Fair value of consideration paid:		
Common Shares		825,000
Warrants		155,883
	$	980,883

Delphi Crypto

On May 13, 2021, the Company acquired from Delphi Analytics proprietary developed algorithms and indices, known as Artificial Intelligence Confidence Indices ("AiCi") that complement the Company's existing software, CryptoHawk.ai for US$300,000, payable in 12 monthly installments and the issuance of 200,000 in stock options with an exercise price of $0.25 per common share and expires May 13, 2023.

Since the Delphi Crypto acquisition did not meet the definition of a business under *IFRS 3 – Business Combinations*, the acquisition was accounted for as a purchase of assets. The consideration paid in stock options was determined as equity-settled share-based payments under IFRS 2, at the fair value of the stock options using Black-Scholes option pricing model issued to Delphi Analytics on the date of closing as noted above. IFRS 2 requires the stock options issued for the acquisition of the net assets of Delphi to be measured at the fair value of the net assets, unless the fair value cannot be reliably estimated.

The following represent the final fair value allocation to identifiable net assets acquired at October 31, 2021:

(Expressed in Canadian Dollars)

			USD	CAD
Developed software technology			$	392,586
			$	**392,586**

Fair value of consideration paid:				
Cash	$	300,000		364,500
200,000 Options				28,086
			$	392,586

5. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development of its planned business activities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned business activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company considers its capital to be shareholders' equity (deficiency), which is comprised of share capital, reserves, and accumulated deficit.

The Company's objective when managing capital is to obtain adequate levels of funding to support its business activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the development of its business. The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements and issuance of convertible debentures. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

6. INVESTMENTS

Continuing Operations

	MADA Private Investment	Kirobo Private Investments	CryptoHawk Fund	Total
Balance at January 31, 2021	$ -	$ -	$ -	$ -
Additions	326,493	6,302,759	1,257,810	7,887,062
Revaluation			(748,326)	(748,326)
Foreign exchange	(8,518)	140,448		131,930
Balance at January 31, 2022	$ 317,975	$ 6,443,207	$ 509,484	$ 7,270,666

On May 3, 2021, the Company completed its strategic investment of $6,313,016 (US$5,000,000) of Kirobo Ltd. ("Kirobo") a cryptocurrency solutions developer. In exchange the Company received 22,104,332 shares at a share price of US$0.2262 per common share for 15% of Kirobo. Tel Aviv based Kirobo is a blockchain technology company that provides state-of-the-art tools to crypto users and companies, helping them gain better control of their funds. The Company has determined that it does not hold significant influence or control of Kirobo as defined under IAS 28. The Company therefore has designated this investment as a portfolio investment and measures it at fair value through profit or loss ("FVTPL") as defined under IFRS 9. For private companies like Kirobo, the Company determines fair value using valuation methodology such as discounted cash flow, loan to value, recent material transactions in the investment, and comparable company analysis. At January 31, 2022, the Company's carrying value of its investment approximates its fair value. The Company incurred acquisition costs of $82,016 (US$65,813) in connection with its investment in Kirobo.

(Expressed in Canadian Dollars)

On December 29, 2021, the Company completed its strategic investment of $326,493 (US$250,000) into MADA Analytics ("MADA") by way of a one year unsecured, convertible note with a 5% interest rate per annum. The convertible note is convertible into common shares of MADA at a price per share equal to US$5 million valuation divided by the total number of outstanding common shares of MADA immediately prior to maturity. The Company has designated this investment as a portfolio investment and measures it at amortized cost.

On September 2, 2021, the Company seed funded its CryptoHawk Growth Fund with $1,257,810 (US$1,000,000) to demonstrate the Company's AI technology. The Company has designated this investment as a portfolio investment and measures it at FVTPL.

At January 31, 2022, the Company had an unrealized loss on its investments of $748,326.

Discontinued Operations

	Publicly Traded Securities	Warrants	Total
Balance at January 31, 2021	$ 10,025	$ 184,978	$ 195,003
Additions			-
Disposition	(5,915)	-	(5,915)
Revaluation	(4,110)	(184,978)	(189,088)
Balance at January 31, 2022	$ -	$ -	$ -

As part of the disposition of Digimax Capital Corporation ("DCC"), the Company held public traded securities and warrants in connection with services performed in prior years. During the year ended January 31, 2022, the value of the unexercised share warrants and shares held in publicly traded clients was $nil, a decrease of $189,088, since the year ended January 31, 2021.

7. DIGITAL CURRENCIES

The Company holds digital currencies as investments as follows:

		Bitcoin	Ethereum	USDT	DOT	BCH	LTC	XTZ	Kirobo Coins
Balance at January 31, 2021	$ -	-	-	-	-	-	-	-	-
Digital currencies purchased for the period	122,087,210	1,059	11,495	1,688,895	854	20	262	8,608	6,250,000
Traded for cash for the period	(120,305,368)	(1,048)	(11,395)	(1,688,735)	-	(20)	(62)	(4,432)	-
Loss on sale of digital currencies	(710,498)	-	-	-	-	-	-	-	-
Revaluation of digital currencies	757,490	-	-	-	-	-	-	-	-
Balance at January 31, 2022	**$ 1,828,834**	**11**	**101**	**160**	**854**	**-**	**200**	**4,176**	**6,250,000**

(Expressed in Canadian Dollars)

i) During the year ended January 31, 2022, the Company purchased 1059 Bitcoin, 11,495 Ethereum, 1,688,895 USDT, 854 Polkadot, 20 Bitcoin Cash, 262 Litecoin, 8,608 Tezos and 6,250,000 in Kirobo coins valued at $122,087,210. The Kirobo coins have resale restrictions that prevent the Company from selling some of them prior to June 15, 2022. All resale restrictions are removed within one year of the acquisition date of June 15, 2021. As at January 31, 2022, 1,250,000 Kirobo coins were released from escrow and held by the Company and available for sale. The remaining 5,000,000 Kirobo coins are due to be released 312,500 on March 18, 2022, 312,500 on April 18, 2022, 312,500 on May 19, 2022 and the balance of 4,062,500 on June 19, 2022.

ii) During the year ended January 31, 2022, the Company exchanged digital currencies for cash as follows: 1,048 Bitcoins, 11,395 Ethereum, 1,688,735 USDT, 20 Bitcoin Cash, 62 Litecoin, and 4,432 Tezos for with a value of $119,785,645. The loss on the sale of these digital currencies of $710,498 was recorded in operations, under other income/(expenses).

iii) Digital currencies held are revalued each reporting period based on the fair market value of the price of the digital currencies on the reporting date. As at January 31, 2022, a revaluation gain of $757,490 was recorded to other comprehensive income.

iv) At January 31, 2022, the Company held $852,244 (US$670,055) in digital currencies which was margined by an overdraft facility of $519,722 (US$408,619).

8. INTANGIBLE ASSETS

	Development Costs	DataNavee	Darwin	Delphi	Total
Balance at February 1, 2020	$ -	$ -	$ -	$ -	$ -
Acquisition of developed technology (patentable)	-	-	980,883		980,883
Acquisition of developed software technology	-	3,051,394	-		3,051,394
Less: Amortization expense	-	(225,720)	(19,890)		(245,610)
Balance at January 31, 2021	**-**	**2,825,674**	**960,993**	**-**	**3,786,667**
Balance at February 1, 2021	-	2,825,674	960,993	-	3,786,667
Acquisition of developed software technology	-	-	-	392,586	392,586
Development costs	38,003	97,100	-	-	135,103
Less: Amortization expense	(38,003)	(1,563,272)	(544,701)	(147,222)	(2,293,198)
Less: Impairment		(1,359,502)	(416,292)	(245,364)	(2,021,158)
Balance at January 31, 2022	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Impairment

The Company tests the recoverability of its intangible assets annually, or more frequently if events or changes in circumstances indicate that they might be impaired. Intangible assets recoverability is tested based on the higher of fair value less costs to sell and the value in use model. The value in use model applies a present value of expected future cashflows of the assets. The Company considers external and internal factors, including overall financial performance and relevant entity specific factors, as part of this assessment.

The following factors were identified as impairment indicators:

i) Revenue decline - the lack of revenue derived from the underlying business which fell short of the Company's expectations and budgets;

ii) Actual net cash flows or operating profit flowing from the intangible assets acquired by the Company did not meet the Company's expectation and internal budget expectations;

ii) Decline in stock price and market capitalization – at January 31, 2022, the Company's total net assets exceeded the Company's market capitalization prior to the impairments.

As result of these factors, management performed a qualitative impairment assessment test as at January 31, 2022.

The Company allocated all of its intangible assets to one cash generating unit ("CGU") as no individual business unit has sufficient working capital and cashflow to operate independently. For the purpose of the impairment test this represented the lowest level at which management monitors intangible assets. Management tested the CGU, which had indicators of impairment, for which CGU contains all the intangible assets. The recoverable amount of all CGUs was determined based on the higher of the CGUs fair value less cost of disposal or value in use, which are Level 3 measurements within the fair value hierarchy.

Key assumptions

i) Projected EBITDA: The Company's business plan contains forecasts based on past experience of actual operating results in conjunction with anticipated future growth opportunities. The Company has determined that future growth prospects and expectations are highly variable and unknown as at January 31, 2022.

ii) Growth rate: The Company has applied a perpetual growth rate of 5% to approximate the value in use per CGU.

iii) Discount rates: Discount rates applied in determining the recoverable amount of the CGU groups were approximately between 21% based on the pre-tax weighted average cost of capital of each CGU group.

The values assigned to the key assumptions represent management's assessment of future trends in the industries in which the CGUs operate and are based on both external and internal sources and historical trend data.

At January 31, 2022, the Company determined an impairment of $2,021,158 on intangible assets was appropriate. The intangible asset impairment is disclosed in the *Consolidated Statement of loss and Comprehensive loss* under *Impairment of intangible assets*.

9. RIGHT OF USE ASSET AND LEASE LIABILITY

During the year ended January 31, 2022, the Company entered into a sub-lease of office space and adopted IFRS 16 which resulted in the recording of a right-of-use asset and associated lease liability. The lease liability was measured at the present value of lease payments and discounted using the Company's incremental borrowing rate of 10.5%.

(Expressed in Canadian Dollars)

Below is a summary of the right-of-use asset an associated lease liability.

	Right-of-use asset	lease Liability
Balance at February 1, 2021	$ -	$ -
Additions	128,955	128,955
Interest	-	7,914
Repayments	-	(36,338)
Amortization	(33,278)	-
Balance at January 31, 2022	**$ 95,677**	**$ 100,531**
Current	-	49,936
Non-current	95,677	50,595

Undiscounted cash flows	
Less than one year	$ 57,630
One to five years	52,828
Total undiscounted lease liability at January 31, 2022	**$ 110,458**

The sub-lease expires December 31, 2023, with no option for renewal.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Continuing Operations:

	January 31, 2022	January 31, 2021
Accounts payable	$ 109,339	$ 125,203
Accrued Liabilities	422,169	55,701
	$ 531,508	**$ 180,904**

Discontinued Operations:

	January 31, 2022	January 31, 2021
Accrued Liabilities	$ -	$ 7,500
	$ -	**$ 7,500**

Accounts payable of the Company principally comprise of amounts outstanding for trade purchases relating to regular business activities and amounts payable for financing activities. The usual credit period taken for purchases is between 30 to 90 days.

(Expressed in Canadian Dollars)

11. CONVERTIBLE DEBENTURE

On September 29, 2018, the Company issued convertible debentures (the "September 2018 Debentures") in the amount of $484,500. The holders of the September 2018 Debentures were granted a first-position General Security Arrangement over the assets of the Company and its subsidiaries. The September 2018 Debentures carry a 10% simple interest coupon payable in cash at the end of each calendar quarter and the Company may force the conversion of the September 2018 Debentures to common equity if the Company's shares are listed on the CSE and close above $0.20 per share for more than 20 consecutive trading days. The conversion price will be the lower of $0.075 per share, or 75% of the lowest price any common shares are issued by the Company subsequent to the closing of this September 2018 Debentures issuance. Upon conversion, the September 2018 Debentures holders will also receive a warrant for ½ of one common share for each converted common share at a strike price equal to 1.5 times the conversion price and such warrants will have a term of 2 years following the date of conversion. The September 2018 Debentures mature September 28, 2021.

On February 8, 2019, the Company completed a secured convertible debenture (the "February 2019 Debentures") financing for $550,000, incurring issuance costs of $85,006, for net proceeds of $464,994. Each February 2019 Debentures bears interest at a rate of 10% per annum, which is payable in cash to the holders thereof on the last date of each calendar quarter for a period of three years from the date of issue or the date the February 2019 Debentures are converted. The February 2019 Debentures are convertible at the option of the holder into common shares (the "Common Shares"), at a conversion price that is the lesser of (i) $0.20, or (ii) 75% of the lowest price offered in a private placement of the Company's common shares (the "Conversion Price") while such February 2019 Debentures remain outstanding.

On February 28, 2019, the Company issued amended secured convertible debentures to the holders of the September 2018 Debentures such that the terms of the September 2018 Debentures have been amended to mirror the terms of the above February 2019 Debentures.

During November 2020, the convertible debentures were converted into Common Shares of the Company at $0.05 per Unit. Each Unit comprised of one common share and warrant with an exercise price of $0.05 for a period of two years.

The following is a summary of the convertible debenture liability:

Balance January 31, 2019	**$**	**380,140**
Issuance of debentures		550,000
Issuance costs		(85,007)
Derivative liability component		(498,666)
Accretion expense		87,872
Balance January 31, 2020		**434,339**
Derivative liability component		149,670
Accretion expense		213,953
Conversion of debenture into Common Shares		(797,962)
Balance January 31, 2021	**$**	-

The Debentures are classified as a financial liability recorded at amortized cost, with the exception of the portion relating to the conversion feature, resulting in the carrying value of the debentures being less than the face value.

Derivative Liability

The conversion feature meets the definition of a derivative liability instrument because the conversion rate is variable and therefore does not meet the "fixed-for-fixed" criteria outlined under IFRS. As a result, the conversion feature is required to be recorded as a derivative liability recorded at fair value and marked-to-market each period with the changes in fair value each period recorded in profit or loss.

(Expressed in Canadian Dollars)

Balance January 31, 2020	**$**	**168,070**
Derivative liability component derecognized on conversion		(149,670)
Change in fair value		157,465
Balance January 31, 2021		**175,865**
Change in fair value		(175,865)
Balance January 31, 2022	**$**	**-**

The derivative liability of the September 2018 Debentures was valued at $64,600 on the issuance date. As at January 31, 2021, and January 31, 2022, the derivative liability had a value of $nil (January 31, 2021 - $175,865). The derivative liability was valued as at January 31, 2020, April 30, 2020, October 31, 2020, and October 31, 2020, using the Black-Scholes model with the following assumptions:

	January 31, 2021	**October 31, 2020**	**July 31, 2020**	**April 30, 2020**	**January 31, 2020**
Annualized Volatility	194.00%	165.00%	165.00%	165.00%	165.00%
Risk free interest rate	1.43%	1.40%	1.40%	1.40%	1.40%
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%
Expected life of the warrants	0.23 years	0.91 years	1.16 years	1.41 years	1.66 years

The derivative liability of the February 2019 Debentures was valued at $498,666 on the issuance date. As at January 31, 2021, and January 31, 2022, the derivative liability had a value of $nil (January 31, 2020 - $nil). The derivative liability was valued as at February 8, 2019, January 31, 2020, April 30, 2020, July 31, 2020, and October 31, 2020, using the Black-Scholes model with the following assumptions:

	January 31, 2021	**October 31, 2020**	**July 31, 2020**	**April 30, 2020**	**January 31, 2020**
Annualized Volatility	194.00%	165.00%	165.00%	165.00%	165.00%
Risk free interest rate	1.43%	1.40%	1.40%	1.40%	1.40%
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%
Expected life of the warrants	0.23 years	1.27 years	1.53 years	1.78 years	2.02 years

The warrants issued in connection with the February 2019 Debentures (see note 10 (ii)), were also considered a derivative liability because they do not meet the “fixed for fixed” criteria. The warrants expired during the year ended January 31, 2022, and therefore the value of the derivative warrant liability had a $nil value at January 31, 2022 (January 31, 2021 - $175,865).

12. SHARE CAPITAL

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

As at January 31, 2022, there are 271,065,013 (January 31, 2021 – 188,791,365) shares outstanding.

(i) On September 1, 2020, the Company issued 385,458 common shares to debenture holders in accordance with an agreement to defer debenture interest payments without triggering penalties under the debenture agreements.

(ii) On September 9, 2020, the Company closed the first tranche of a private placement for gross proceeds of $440,000 from the issuance of 8,800,000 units. The subscription price per unit was $0.05 and each unit (“Unit”) consisted of one common share of the Company and one common share purchase warrant, with each warrant exercisable at $0.05 per share for 24 months following closing. The warrants were valued at $207,562 using the Black-Scholes pricing model using the following assumptions: risk free rate of return 0.27% and an annualized volatility 248%. In connection with the private placement the Company paid finders fees of $35,200 in cash and 8% broker warrants exercisable for 704,000 common shares of the

Company exercisable at $0.05 per share for 24 months following closing. The broker warrants were value at $16,605.

On September 30, 2020, the Company closed the second tranche of a private placement for gross proceeds of $765,000 from the issuance of 15,300,000 Units. The warrants were valued at $362,075. In connection with the private placement the Company paid finders fees of $41,200 in cash and 8% broker warrants exercisable for 648,000 common shares of the Company exercisable at $0.05 per share for 24 months following closing. The broker warrants were value at $15,335.

On October 28, 2020, the Company closed the final tranche of a private placement for gross proceeds of $140,000 from the issuance of 2,800,000 Units. The warrants were valued at $66,262. In connection with the private placement the Company paid finders fees of $7,200 in cash and 8% broker warrants exercisable for 144,000 common shares of the Company exercisable at $0.05 per share for 24 months following closing. The broker warrants were value at $3,408.

Other issue costs totalled $6,018.

(iii) On September 18, 2020, the Company issued 55,000,000 common shares in connection with the acquisition of DataNavee (see note 4).

(iv) On September 30, 2020, the Company issued 2,825,000 common shares to settle debt of $141,250 to various non-related parties.

(v) On November 13, 2020, the Company issued 5,000,00 common shares to acquire the Darwin assets (see note 4) at $0.06 per common share.

(vi) From November 12 to January 27, 2021, the Company converted the convertible debentures (see note 11) by issuing 20,840,000 common shares and 10,345,000 warrants with an exercise price of $0.05 per warrant with a two-year expiry.

(vii) On February 26, 2021, the Company completed a non-brokered private placement offering for gross proceeds of $5,103,299. The Company issued 14,580,855 Units at a price of $0.35 per Unit. The Unit comprised of a common share and warrant. The warrant has an exercise price of $0.365 per warrant for a period of two years. In connection with this offering the Company paid a finder fee of 8% of the gross proceeds and issued finder warrants of 8% of the units sold. The Company also issued a further 2,000,000 warrants to an arm's length consultant, which has been expensed as consulting fees. Each warrant is exercisable into one common share at a price of $0.39 per share for a period of two years.

(viii) On March 19, 2021, the Company completed a non-brokered private placement offering for gross proceeds of $13,227,800. The Company issued 37,793,715 Units at a price of $0.35 per Unit. The Unit comprised of a common share and warrant. The warrant has an exercise price of $0.365 per warrant for a period of three and half years. In connection with this offering the Company paid a finder fee of 8% of the gross proceeds and issued finder warrants of 8% for a total of 3,023,497 warrants with an exercise price of $0.4375 per warrant for a period of three and half years.

(ix) During the year ended January 31, 2022, the Company issued 996,078 in common shares to settle debt of $296,500 to various non-related parties.

(Expressed in Canadian Dollars)

13. WARRANTS

Share purchase warrant transactions for the year ended January 31, 2022, and the year ended January 31, 2021, are as follows:

	Number of Warrants	Weighted Average Exercise Price	Fair Value
Balance outstanding, February 1, 2020	**7,911,250**	**$ 0.110**	**$ 56,400**
Warrants expired(i)	(5,325,000)	(0.200)	-
Warrants issued(iii)	48,637,000	0.060	1,116,391
Warrants exercised	(12,050,000)	(0.050)	(238,941)
Balance outstanding, January 31, 2021	**39,173,250**	**0.060**	**933,850**
Warrants expired(ii)	(2,586,250)	(0.110)	-
Warrants issued(iii)	58,370,249	0.369	9,914,485
Warrants exercised	(22,003,000)	(0.050)	(530,745)
Balance outstanding, January 31, 2022	**72,954,249**	**$ 0.305**	**10,317,590**

i. Pursuant to the issuance of 10,650,000 units, the Company issued 5,325,000 common share purchase warrants. Each whole warrant is exercisable at a price of $0.20 per share and expire on the earlier of (i) March 29, 2020, or (ii) 30 days following the date that a notice is delivered from the Company to the holder of the warrant that the shares have traded on a stock exchange for 10 consecutive days at a closing price in excess of $0.40 per share.

ii. On February 8, 2019, the Company issued to the holders of the February 2019 Debentures (Note 9) and the September 2018 Debentures (Note 11) 2,586,250 common share purchase warrants. These warrants are exercisable for a period of two years from issuance into common shares at an exercise price equal to the lowest of (i) $0.30, (ii) the product of the conversion price (lesser: of (i) $0.20; or (ii) 75% of the lowest price offered in a private placement of common shares subsequent to debentures being issued) multiplied by 1.5, and (iii) the exercise price of common share purchase warrants issued by the Company prior to the expiration of the warrants for each warrant exercised. These warrants expired February 8, 2021.

iii. See note 12 in connection with warrants issued in connection with private placements and convertible debentures.

The following table reflects the actual warrants outstanding and exercisable as of January 31, 2022:

	Fiscal January 31, 2022	Fiscal January 31, 2021	Fiscal January 31, 2020
Average exercise price ($)	$0.35-0.44	$0.05-0.15	$ 0.11
Fair value of the award	$ 9,914,485	$ 1,116,391	$ 56,400
Risk free interest rate	0.23%-0.53%	0.24%-0.26%	2.00%
Expected dividend yield	0.00%	0.00%	0.00%
Expected volatility	233%-258%	250%-259%	100%
Expected life of the warrants	2-3.5 years	2 years	2 years

14. STOCK OPTIONS AND RESTRICTED SHARE UNITS

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options and restricted share units to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of ten years with vesting requirements at the discretion of the Board of Directors.

(Expressed in Canadian Dollars)

Company records a charge to the statement of loss and comprehensive loss using the Black-Scholes fair valuation option pricing model with respect to a share option grant. The valuation is dependent on a number of estimates, including the risk-free interest rate, the level of share volatility, together with an estimate of the level of forfeiture. The level of share volatility is calculated with reference to the historic traded daily closing share price at the date of issue. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

	Stock Options		Weighted Average Exercise Price
Options outstanding, February 1, 2020	**3,300,000**	**$**	**0.100**
Issued	13,900,000		0.080
Exercised	(6,200,000)		(0.060)
Forfeited	(350,000)		(0.100)
Options outstanding, January 31, 2021	**10,650,000**	**$**	**0.100**
Issued	15,750,000		0.280
Exercised	(4,700,000)		(0.096)
Forfeited	(100,000)		(0.050)
Options outstanding, January 31, 2022	**21,600,000**	**$**	**0.232**
Exercisable options	19,812,499	$	0.233

	Fiscal January 31, 2022	Fiscal January 31, 2021	Fiscal January 31, 2020
Number of options granted	15,750,000	13,900,000	3,300,000
Exercise price (CAD$)	$0.10 to $0.39	$0.05 to $0.15	$ 0.100
Risk free interest rate	0.20%-1.26%	0.22%-0.27%	1.36%
Expected dividend yield	0.00%	0.00%	0.00%
Expected volatility	134%-262%	232%-260%	232%
Expected life of the options	2 years	2 years	2 years

The following table reflects the actual stock options outstanding as of January 31, 2022:

Option price (CAD$)	Options Outstanding		Weighted Average Exercise Price	Weighted Ang Remaining Contractual Life (Yrs.)	Options Exercisable
At $0.05	1,750,000	$	0.050	0.01	1,750,000
At $0.08	1,050,000	$	0.080	0.61	1,050,000
At $0.10	1,050,000	$	0.100	0.01	650,000
At $0.12	125,000	$	0.120	1.73	62,499
At $0.15	2,500,000	$	0.150	0.99	2,500,000
At $0.17	250,000	$	0.170	1.37	250,000
At $0.18	100,000	$	0.180	1.49	100,000
At $0.20	1,700,000	$	0.200	1.58	1,625,000
At $0.24	4,300,000	$	0.240	1.01	3,425,000
At $0.25	3,325,000	$	0.250	1.09	3,200,000
At $0.28	200,000	$	0.280	1.09	200,000
At $0.30	50,000	$	0.300	1.19	50,000
At $0.31	200,000	$	0.310	1.02	200,000
At $0.39	5,000,000	$	0.390	1.07	4,750,000

(Expressed in Canadian Dollars)

Vesting Schedule	
Immediate	19,812,499
1 year	1,787,501

Restricted share units

During the year ended January 31, 2022, the Company issued 4,550,000 RSU under the equity incentive plan. Each RSU entitles the recipients to receive one common share of the Company on vesting. The RSUs that vested were 1,200,000 on grant date, 1,200,000 RSUs were forfeited and 2,150,000 remain outstanding. The outstanding RSUs vest over 3 year period and are subject to certain performance criteria in order to vest to the holders. These RSUs are held by certain officers of the Company.

All other terms and conditions of the RSUs are in accordance with the Company's equity incentive plan. The fair value of RSU were determined by the Company's share price on the date of the award.

Below is a summary of the status of the RSUs at January 31, 2022.

	RSUs	Weighted Average Exercise Price
RSUs outstanding, February 1, 2020, January 31, 2021	-	$ -
Issued	4,550,000	0.160
Exercised	(1,200,000)	(0.230)
Forfeited	(1,200,000)	(0.230)
RSUs outstanding, January 31, 2022	**2,150,000**	**$ 0.080**

The following table reflects the actual restricted share units outstanding as of January 31, 2022:

RSU price (CAD$)	RSUs Outstanding	Weighted Average Exercise Price	Weighted Ang Remaining Contractual Life (Yrs.)	RSUs Exerciseable
At $0.08	2,150,000	$ 0.080	2.92	-

(Expressed in Canadian Dollars)

15. INCOME TAX

The reported recovery of income taxes differs from amounts computed by applying the statutory income tax rates to the reported loss before income taxes due to the following:

		January 31, 2022		January 31, 2021
Loss before income taxes	$	(15,451,972)	$	(2,175,783)
Statutory rate		26.5%		26.5%
Expected income tax recovery at combined basic federal and provincial tax rates		(4,094,773)		(576,582)
Effect on income taxes of:				
Share-based payment expense		379,502		164,519
Other permanent differences		1,281,713		34,753
Share issue costs recorded directly to equity		(233,279)		(22,154)
Difference in foreign tax rates		(37,018)		-
Changes in tax benefits not recognized		2,703,855		399,464
Income tax expense	**$**	**-**	**$**	**-**

Deferred income taxes

Deferred income taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying values of assets and liabilities. The temporary differences and unused tax losses that give rise to deferred income tax assets are presented below:

		January 31, 2022		January 31, 2021
Non-current assets	$	138,780	$	98,079
Deferred financing fees and other		296,929		6,816
Convertible debentures and derivative liability		-		46,604
Non-capital losses available for future periods		3,362,429		940,587
Deferred tax assets		3,798,138		1,092,086
Less: deferred tax assets not recognized		(3,798,138)		(1,092,086)
Net deferred tax assets	$	-	$	-

As at January 31, 2022, the Company had non-capital and capital tax losses of $12,688,412, available to use against future taxable income for income tax purposes. The non-capital losses expire from 2026 through 2042.

16. FINANCIAL INSTRUMENTS

Fair value

Financial instruments of the Company consist of cash, investments, receivables, accounts payable and accrued liabilities, convertible debentures, and the derivative liabilities. There are no significant differences between the carrying amounts of the items reported on the statements of financial position and their estimated fair values.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. Where quoted market values are not readily available, the Company may use considerable judgment to develop estimates of fair value. Accordingly, any estimated values are not necessarily indicative of the amounts the Company could realize in a current market exchange and could be materially affected by the use of different assumptions or methodologies. The derivative liability is the only financial instrument at fair value through profit and loss and falls into level 3 fair value hierarchy.

The Company’s risk exposures and their impact on the Company’s financial instruments are summarized below:

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, foreign exchange risk, commodity price risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

The Company is exposed to 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 exposed to interest rate risk arising from fluctuations in interest rates received on its cash balance. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short-term nature of interest-bearing cash.

Liquidity risk

The Company is exposed to liquidity risk. Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company’s future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing (see note 1).

Foreign exchange risk

The Company's functional currency is the Canadian dollar, and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk.

The Company holds cash balances in foreign currencies which give rise to exposure to foreign exchange risk.

Credit risk

Credit risk is the risk of loss associated with counterparty’s inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with a reputable Canadian chartered bank. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal.

Trade and other receivables represent concession fees earned from acting as intermediary to successful investment banking financing transactions. No bad debts were incurred during the year ended January 31, 2022 (2021 - $Nil). These fees are principally due from major international financial institutions and are paid shortly after closing with proceeds from the related financing transaction. Management therefore believes that the associated credit risk is minimal.

(Expressed in Canadian Dollars)

17. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

Key management salaries

Key management includes members of the board of directors, the Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for the year ended January 31, 2022, and 2021:

i) During the year ended January 31, 2022, $229,682 (2021 - $88,871) was charged by the Chief Executive Officer for consulting fees.

ii) During the year ended January 31, 2022, $107,219 (2021-$36,000 to CFO Advantage Inc.) was charged by PME Consulting Cda Ltd., and CFO Advantage Inc., Company owned by the Chief Financial Officer of the Company current and former, respectively, for fractional CFO consulting fees.

iii) During the year ended January 31, 2022, directors' fees expensed were $292,458 of which $64,094 was paid during the year (2021 - $126,878) for advisory work.

iv) During the year ended January 31, 2022, the Company had 5,400,000 outstanding stock options to directors and officers of which 3,400,000 were granted during the year with fair value of $898,776 (2021 – $138,323). In addition, 2,150,000 RSUs remaining outstanding to certain officers of the Company.

18. COMMITMENTS

The Company has no commitments as at January 31, 2022.

19. DISCONTINUED OPERATIONS

On April 19, 2021, the Company announced that it had entered into an agreement with the registered salespeople working for the Company to, subject to regulatory approval, acquire 100% of the shares of the Company's subsidiary Digimax Capital Corp. ("DCC"), including the roughly $90,000 in cash reserves held by the Company. The Chief Executive Officer of the Company, Chris Carl, will not participate in this transaction and will not hold any shares post sale to registered salespeople. The new owners will issue a note secured by the shares of the Company for gross proceeds of $150,000. The new owners will fund the purchase of the shares of the Company from 15% of gross revenues of the Company going forward. To allow for a smooth transition, Chris Carl will remain as the interim Chief Compliance Officer ("CCO") of Digimax Capital Corp. until he is replaced by a new CCO.

Below represents the gain recognized on the sale of DCC at January 31, 2022:

			January 31, 2022
Proceeds received on disposition		$	150,000
Carrying amount of net assets distributed			
Cash	138,567		
Accounts payable and accrued liabilities	(25,307)		
Due to related parties	(30,949)		82,311
Gain on sale of Digimax Capital Corp.		$	67,689

(Expressed in Canadian Dollars)

Results of discontinued operations are as follows for the year ended January 31, 2022, and 2021:

		2022		2021
Revenue				
Concession fees	$	630,935	$	272,192
Expenses				
Consulting fees		665,183		182,288
Professional fees		11,000		7,500
General and admin		3,951		1,052
Total expenses		680,134		190,840
(Loss)/gain on sale of investments		(3,604)		53,285
Unrealized (loss)/gain on investments		(176,693)		117,101
Income (loss) before income taxes		(229,496)		251,738
Income tax		-		12,396
Net (loss) income from discontinued operations	**$**	**(229,496)**	**$**	**239,342**

Cash flows from discontinued operations are as follows for the year ended January 31, 2022, and 2021:

For the year ended January 31,		2022		2021
Cash flows from Operating Activities				
Net Loss for the year	$	(229,496)	$	239,342
Non-cash items:				
Loss/(gain) on sale of investments		3,604		(53,286)
Fair value on warrants received				(111,142)
Acquisition costs		-		-
Unrealized loss on investments		176,693		(117,101)
Net change in non-cash working capital items:				
Advances from related parties		120,839		60,110
Sales tas receivable		(238)		1,949
Income tax payable		-		12,396
Accounts payable and accrued liabilities		17,807		(1,350)
Cash provided from operating activities		**89,209**		**30,918**

20. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year presentation.

21. SUBSEQUENT EVENTS

On April 25, 2022, the Company signed a non-binding memorandum of understanding ("MOU"), to acquire all of the issued and outstanding shares of Israel-based Spetz Tech Ltd. ("Spetz"), a technology company which has developed artificial intelligence ("AI") software to operate a revolutionary and fast-growing mobile application that connects members of the public to available, top-rated tradespeople, service providers and professionals in their area immediately or at any scheduled time. In consideration for all of the issued and outstanding shares of Spetz, DigiMax will issue 250 million common shares of the Company, which will amount to approximately 47% of the outstanding shares of the Company after the acquisition is complete (the "Transaction"). The number of shares is not contingent on the trading price of DigiMax shares.

The Convertible Loan

The Transaction will be completed in two phases, with the first phase consisting of a $750,000 unsecured loan to Spetz for general corporate purposes (the "Loan"), pursuant to a convertible loan agreement (the "CLA") which was advanced concurrently with the execution of the MOU. The Loan shall be convertible into shares of Spetz at the option of DigiMax at a conversion price of $0.16 per share, and if not converted, shall be repayable in cash after 15 months following the execution of the CLA.

The Share Exchange Transaction

The second phase consists of the share exchange transaction, whereby DigiMax will issue common shares to the current shareholders of Spetz in return for all of the issued and outstanding shares of Spetz, resulting in former Spetz shareholders holding approximately 47% of the outstanding shares of DigiMax, calculated on an issued and outstanding basis. The second phase is anticipated to close on or before June 15, 2022 subject to normal regulatory approvals in Canada and Israel. The proposed transaction is also subject to a number of other customary conditions, including the completion of final mutual due diligence investigations, the execution of definitive documentation and the approval of the Canadian Securities Exchange.