Consolidated Financial Statements of

COPLAND ROAD CAPITAL CORPORATION

For the years ended December 31, 2023 and 2022
(Expressed in Canadian dollars, unless stated otherwise)

McGovern Hurley

Audit. Tax. Advisory.

Independent Auditor's Report

To the Shareholders of Copland Road Capital Corp.

Opinion

We have audited the consolidated financial statements of Copland Road Capital Corp. and its subsidiaries (the "Company"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of loss and comprehensive loss, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year 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 consolidated financial position of the Company as at December 31, 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

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. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Company for the year ended December 31, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on May 3, 2023.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there were no key audit matters to communicate in our report.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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 IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or 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.

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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 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks 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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner of the audit resulting in this independent auditor's report is Jessica Di Rito.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
April 25, 2024

COPLAND ROAD CAPITAL CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian dollars)

As at	Note		**December 31, 2023**		December 31, 2022
ASSETS					
Current Assets					
Cash		**$**	**835,925**	$	959,660
Restricted cash	6 (b)		**782,565**		-
HST receivable			**35,955**		13,847
Other assets			**7,410**		308
		$	**1,661,855**	$	973,815
Non-current Assets					
Loan receivable	5		**411,000**		-
Investment in associates	6		**178,457**		-
			589,457		-
TOTAL ASSETS		**$**	**2,251,312**	$	973,815
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Trade payables and accrued liabilities	7	**$**	**70,271**	$	149,117
Due to related parties	7		**823,478**		-
TOTAL LIABILITIES			**893,749**		149,117
SHAREHOLDERS' EQUITY					
Share capital	1,8		**3,407,300**		2,701,050
Reserves			**-**		17,630
Accumulated deficit			**(2,049,737)**		(1,893,982)
TOTAL SHAREHOLDERS' EQUITY			**1,357,563**		824,698
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**2,251,312**	$	973,815

Nature of operations and going concern	1
Subsequent events	14

These consolidated financial statements were approved by the Board of Directors on April 25, 2024 by:

"Jared Carroll"
Director

"Bruce Langstaff"
Director

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

COPLAND ROAD CAPITAL CORPORATION

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian dollars)

		Year ended	
		December 31, 2023	December 31, 2022
Expenses			
General & administrative	7,9	**$ 270,740**	$ 410,988
Share-based compensation	7,8	**9,870**	106,130
Loss from operations		**(280,610)**	(517,118)
Other income (expenses)			
Change in fair value of marketable securities		**-**	37
Share of loss from associates	6	**(33,455)**	**-**
Gain on dilution	6	**149,099**	**-**
Foreign exchange loss		**(41)**	(1,148)
Interest and other income		**9,252**	69,614
		124,855	68,503
Net loss and comprehensive loss		**(155,755)**	(448,615)
Basic and diluted loss per share		**$ (0.01)**	$ (0.06)
Weighted average number of common shares outstanding, basic and diluted		**10,821,340**	7,974,822

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

COPLAND ROAD CAPITAL CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the Years ended December 31, 2023 and 2022

(Expressed in Canadian dollars)

	Note	Number of shares	Share Capital	Shares to be Issued	Reserves	Accumulated Deficit	Total
Balance at December 31, 2022		**8,217,500**	**$ 2,701,050**	**$ -**	**$ 17,630**	**$ (1,893,982)**	**$ 824,698**
Private placement	**8**	**2,713,500**	**678,750**	**-**	**-**	**-**	**678,750**
Share based compensation	**8**	**-**	**-**	**-**	**9,870**	**-**	**9,870**
Restricted stock units vested	**8**	**137,500**	**27,500**	**-**	**(27,500)**	**-**	**-**
Distribution to shareholders	**1**	**-**	**-**	**-**	**-**	**-**	**-**
Net loss and comprehensive loss		**-**	**-**	**-**	**-**	**(155,755)**	**(155,755)**
Balance at December 31, 2023		**11,068,500**	**$ 3,407,300**	**$ -**	**$ -**	**$ (2,049,737)**	**$ 1,357,563**

	Note	Number of shares	Share Capital	Shares to be Issued	Reserves	Accumulated Deficit	Total
Balance at December 31, 2021		7,775,000	$ 2,612,550	$ 30,000	$ -	$ (1,445,367)	$ 1,197,183
Successor share subscription	8	-	-	(30,000)	-	-	(30,000)
Restricted stock units vested	8	442,500	88,500	-	17,630	-	106,130
Net loss and comprehensive loss		-	-	-	-	(448,615)	(448.615)
Balance at December 31, 2022		8,217,500	$ 2,701,050	$ -	$ 17,630	$ (1,893,982)	$ 824,698

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

COPLAND ROAD CAPITAL CORPORATION

CONSOLIDATED STATEMENT OF CASHFLOWS

(Expressed in Canadian dollars)

	Note		**Year ended December 31, 2023**		Year ended December 31, 2022
Operating Activities					
Net loss		**$**	**(155,755)**	$	(448,615)
Adjustment for non-cash items					
Share based compensation	**8**		**9,870**		106,130
Share of loss of associates	**6**		**33,455**		-
Gain on dilution	**6**		**(149,099)**		-
Changes in non-cash working capital items					
Other receivables			**(22,108)**		(13,029)
Prepaids and deposits			**(7,102)**		9,620
Trade payables and accrued liabilities			**(78,846)**		(52,820)
Net cash flow used in operating activities			**(369,585)**		(398,714)
Investing Activities					
Proceeds from sale of property and equipment			**-**		71,250
Advances to related parties			**(149,147)**		-
Repayment of advances to related parties			**127,247**		-
Loan receivable	**5**		**(411,000)**		-
Net cash flow (used in) provided from investing activities			**(432,900)**		71,250
Financing Activities					
Issuance of shares for cash	**8**		**678,750**		-
Share subscription returned			**-**		(30,000)
Net cash flow provided from (used in) financing activities			**678,750**		(30,000)
Change in cash during the year			**(123,735)**		(357,464)
Cash, beginning			**959,660**		1,317,124
Cash, ending		**$**	**835,925**	$	959,660

	Note				
Supplemental cash flow information					
Purchase of shares in investees	**6**	**$**	**62,813**	$	-
RSUs vested and converted to shares	**8**	**$**	**27,500**	$	88,500
Interest received		**$**	**9,252**	$	1,653

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

1. Nature of Operations and Going Concern

Operations

Copland Road Capital Corporation (the "Company") was incorporated as Innovative Properties Inc. under the Canada *Business Corporations Act and later continued into* British Columbia on May 29, 2019 when the Company first changed its name from Innovative Properties Inc. to Nabis Holdings Inc. On January 14, 2022, the Company changed its name to Copland Road Capital Corporation. Its principal business is to effect mergers, arrangements, reverse takeover transaction and other corporate transactions with other entities with a view to providing liquidity to the owners of such entities in connection with "go public" transactions. The Company's shares are listed on the Canadian Securities Exchange under the symbol "CRCC". The head office of the Company is located at 217 Queen Street West, Suite 401, Toronto, Ontario, M5V 0R2.

On December 13, 2022, the shareholders of the Company approved a plan of arrangement (the "SpinCo Arrangement") under Division 5 of Part 9 of the BCBCA, which involved, among other things, that the then current shareholders of the Company would exchange the existing common shares of the Company in exchange for:

a) new common shares of the Company, on a 1:1 basis; plus

b) common shares of each of its then wholly-owned subsidiaries (together, the "SpinCos" and each a "SpinCo"), on a 0.25 for one basis:

   (i) Bothwell Road Capital Corp. ("Bothwell Road"),

   (ii) Broomloan Road Capital Corp. ("Broomloan Road"),

   (iii) Edmiston Drive Capital Corp. ("Edmiston Drive"),

   (iv) Goram Capital Corp. ("Goram"), and

   (v) James Bell Capital Corp. ("James Bell").

On January 31, 2023, the arrangement became effective and each shareholder deposited existing common shares to the Company (which were subsequently cancelled) and received one new common share of the Company, 0.25 Bothwell Road common shares, 0.25 Broomloan Road common shares, 0.25 Edmiston Drive common shares; 0.25 Goram common shares and 0.25 James Bell common share for each common share held at the time of the closing of the SpinCo Arrangement. This resulted in the Company distributing 2,732,750 common shares of each SpinCo to its shareholders, and retaining 1,253,250 common shares of each SpinCo. (Note 6) In addition, each SpinCo reserved a total of 68,750 which will be issued to holders of the Company's Restricted Stock Units ("RSUs") when such RSUs vest. At the effective date of the arrangement, the Company valued the shares of the SpinCos at a nominal amount, and therefore, the distribution to shareholders is recorded for a nominal amount.

1. Nature of Operations and Going Concern (continued)

Going concern

These consolidated 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. The Company has incurred losses and negative cash flows from operations since inception that have primarily been funded through financing activities. As at December 31, 2023, the Company has a deficit of $2,049,737 and $768,106 in working capital surplus (2022 – deficit of $1,893,982 and $824,698 in working capital surplus).

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses, and the statement of financial position classifications used, 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.

2. Basis of Preparation

(a) Statement of compliance

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Issues Committee ("IFRIC"), applicable to the preparation of these consolidated financial statements for the years ended December 31, 2023 and 2022 are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(b) Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared on an accrual basis, except for cash flow information.

(c) Basis of consolidation

These consolidated financial statements for the years ended December 31, 2023 and 2022 include the accounts of the Company and its subsidiaries, which are the entities over which the Company has control. Control exists when the Company has the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

The financial statements of the subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. All intercompany transactions are eliminated in full upon consolidation. The Company continues to wind down remaining inactive subsidiaries.

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2. Basis of Preparation (continued)

As at December 31, 2023 and 2022, the following subsidiaries have been consolidated and presented within these consolidated financial statements for the period the Company possessed its control:

Subsidiary	Location	Ownership interest December 31, 2023	Ownership interest December 31, 2022
Nabis Technologies Corp. (i)	Canada	-	100%
Be In Synergy Inc. (i)	Canada	-	100%
Abis Biopharma Corporation (i)	Canada	-	100%
Nabis (CAN) Holdings Corp (i)	Canada	-	100%
Nabis (US) Corp. (ii)	USA	100%	100%
Nabis AZ, LLC (“Nabis AZ”) (ii)	USA	100%	100%
Nabis Holdings California Inc. (i)	USA	-	100%
Nabis Holdings California, LLC (ii)	USA	100%	100%
Nabis Holdings Oklahoma Inc. (ii)	USA	100%	100%
Nabis Oklahoma Patient Care Inc. (ii)	USA	100%	100%
Nabis Holdings Washington, LLC (i)	USA	-	100%
Bothwell Road Capital Corp. (iii)	Canada	22.98%	100%
Broomloan Road Capital Corp. (iii)	Canada	22.98%	100%
Edmiston Drive Capital Corp. (iii)	Canada	22.98%	100%
Goram Capital Corp. (iii)	Canada	22.98%	100%
James Bell Capital Corp. (iii)	Canada	22.98%	100%

i) These companies were all dissolved in January 2022
ii) These companies are currently inactive with no operating assets or liabilities
iii) The SpinCos were consolidated in the consolidated financial statements for the year ended December 31, 2022 and up to the date of the Arrangement. Pursuant to the Arrangement in Note 1, the Company’s interest was reduced to 30.91 % and the SpinCos were classified as associates. Refer to Note 6.

The Company only has one operating and reportable segment.

(d) Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars unless otherwise noted. The functional currency of the Company is measured using the principal currency of the primary economic environment in which each entity operates. The functional currency of the Company, its subsidiaries and associates are their respective local currencies.

(e) Significant estimates and judgments

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of the financial statements and the reported amount of revenue and expenses during the year. Actual results could differ from these estimates. The Company’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

2. Basis of Preparation (continued)

Recognition of deferred tax assets

Income taxes and tax exposures recognized in the consolidated financial statements reflect management's best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference.

When the Company incurs losses for income tax purposes, it assesses the probability of taxable income being available in the future, based on cash flow forecasts. These forecasts are adjusted for certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses. When the forecasts indicate that sufficient future taxable income will be available to deduct the temporary differences, a deferred tax asset is recognized for all deductible temporary differences.

Recoverability of loan receivable

The loss allowances for the loan receivable held is based on management's assumptions about Broomloan's risk of default. The Company uses judgement in making these assumptions, based on existing market conditions, as well as forward-looking estimates at the end of each reporting period.

Investments in associates

After the completion of the Arrangement, as described in Note 1, the Company's interest in the Spincos was reduced from 100% to 30.91%. At December 31, 2023, the Company owns a 22.98% interest in each Spinco.

The Company and each Spinco are governed by the same Directors and share management personnel. However, management has concluded that the Company has significant influence but not outright control subsequent to the Arrangement. In making its judgement, management considered the Company's voting rights, the relative size and dispersion of the voting rights held by other shareholders and how decisions over the relevant activities of each Spinco are made. For each Spinco, the relevant activities are approved based on a 2/3 majority vote, which prevents the Company from having the practical ability to direct the relevant activities of Spincos unilaterally.

Management continually reassesses its involvement in the Spincos in accordance with IFRS 10's control definition and guidance.

Impairment of investment in associates

The Company assesses the investment in each associate for impairment if there is objective evidence that the investment in the associate is impaired. In making this assessment, management considers several factors including whether the associate is in significant financial difficulty. At December 31, 2023 management has assessed that there were no loss events that have come to their attention that would indicate the investment in associates is impaired.

2. Basis of Preparation (continued)

Fair value of Spinco shares

The fair value of the retained interest held in the Spincos requires management to estimate the values of each of the Spinco shares at the date of Arrangement. Given that as of the date of the Arrangement, the Spinco's did not have any significant assets, liabilities or activity, management has estimated the fair value of each Spinco's share price to be a nominal amount. Changes in the assumptions can materially affect the fair value estimate.

Going concern assumption

The Company applies judgment in assessing whether material uncertainties exist that would cause doubt as to the whether the Company could continue as a going concern.

3. Significant Accounting Policies

Financial instruments

(i) 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 loss ("FVOCI") 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 the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification of financial instruments under IFRS 9:

Financial assets/liabilities	IFRS 9 classification
Cash	Amortized cost
Loan receivable	Amortized cost
Trade payables and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

(ii) Measurement

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise.

3. Significant Accounting Policies (continued)

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Investments in associates

Associates are those entities in which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are initially recorded in the consolidated statement of financial position at cost. The carrying amount of the investment is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Company's share of the investee's profit or loss is recognized in the Company's income or loss.

When the Company's shares of losses in an associate equal or exceeds its interest in the associate, the Company does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Company resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized. Where a company entity transacts with an associate of the Company, profits and losses are eliminated to the extent of the Company’s interest in the relevant associate.

Dilution gains and losses arising from changes in interests in investments in associates where significant influence is retained are recognized in the consolidated statements of loss.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss in the statement of loss and comprehensive loss.

Share capital

Share capital is presented at the fair value of the shares issued or the cash amount received. Costs related to the issuance of shares are reported in equity, net of tax, as a deduction from the issuance proceeds.

3. Significant Accounting Policies (continued)

Foreign Currency Translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Nonmonetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Revenue Recognition

Revenue consists of interest earned on the Company's cash balances and is recognized when received.

Share-Based Payments

The Company established an Omnibus Long-Term Incentive Plan (the **"Plan"**) that was approved by shareholders on September 28, 2021, which allows eligible participants to receive stock options, restricted stock units ("RSUs") or performance stock units ("PSUs"), at the discretion of the Board of Directors.

Under the terms of the Company's Plan, each RSU provides the right to receive a common share or cash equivalent of a common share to the fair market value of the common share at the applicable payment date, at the discretion of the Board of Directors. As the Company expects to settle any such RSUs using common shares of the Company from treasury, the fair value of the RSUs is recognized as a share-based compensation expense ratably over the vesting period, with a corresponding increase in reserve.

Income Taxes

Current Income Tax

Current income tax assets and liabilities for the period 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, at the reporting date, in the countries where the Company operates and generates taxable income. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax arises from temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3. Significant Accounting Policies (continued)

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Income (Loss) per Share

Basic income or loss per share is calculated by dividing the net income or loss available to common shareholders for the period by the weighted-average number of common shares outstanding in the period. The Company uses the treasury stock method to calculate diluted income or loss per share. Diluted income or loss per share reflects the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. Diluted amounts are not present when the effect of the computations is anti-dilutive.

4. Future changes in accounting policies

The following new amendment to standards and interpretations under IFRS are not yet effective for the year ended December 31, 2023, and have not been applied in preparing these consolidated financial statements:

Amendments to IAS 1 – Presentation of Financial Statements

On January 23, 2020, the IASB issued an amendment to IAS 1 Presentation of Financial Statements providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. The amendments further clarify that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. The amendments are effective for annual periods beginning on or after January 1, 2024. Earlier adoption is permitted. The Company will adopt this amendment as of the effective date, and does not anticipate any material impacts on adoption.

Amendments to IFRS 10 and IAS 28 **-** *Sale of Contribution of Assets between an Investor and its Associate or Joint Venture*

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

5. Loan Receivable

On October 5, 2023, the Company entered into a promissory note with Broomloan Road for a principal amount of $411,000. The loan is unsecured, due on demand and bears interest at a rate of 2.4% per annum.

(Expressed in Canadian dollars)

6. Investments in associates

The Company has assessed that it has significant influence over each of the Spincos.

The Spincos were each incorporated to effect corporate transactions with other entities, such as a "go public" transaction, with a view to providing liquidity to the owners of such entities. The Spincos' head office is the same as the Company's.

The continuity of the Company's cumulative interests in the Spincos is as follows. The amounts are presented cumulatively for all five Spincos, however, the amount pertaining to each Spinco is equal.

	Note	**December 31, 2023**	December 31, 2022
Opening balance		$ -	$ -
Fair value of retained interests	a	-	-
Purchase of shares	b	**62,813**	-
Gain on dilution	b	**149,099**	-
Share of loss of associates	c	**(33,455)**	-
Ending balance		**$ 178,457**	-

a. Pursuant to the Arrangement, as described in Note 1, the Company's interests in the SpinCos was reduced to 30.91 %. Accordingly, as of the effective date of the Arrangement, management concluded that the Company had significant influence but not outright control.

   The Company retained a total of 1,253,250 shares in each Spinco. At January 31, 2023, management determined that the fair value of the shares of each Spinco was a nominal amount, and accordingly, there was no gain or loss recognized as a result of the loss of control.

b. On July 31, 2023, each of the Spincos completed a non-brokered private placement financing for the issuance of 1,945,250 shares per Spinco, at $0.10 per share and for total gross proceeds of $194,525. The Company subscribed for 125,625 common shares of each Spinco at a price of $0.10 per common share for total consideration of $12,563 per Spinco. As a result of the private placement, the Company's interest in each Spinco decreased to 22.98%.

   The Company recorded a gain on dilution of $149,099.

   The Company facilitated the private placement on the Spincos' behalf and collected the total proceeds of $972,625. See Note 9. At December 31, 2023, the Company held a total of $782,565 in trust on behalf of the Spincos. At December 31, 2023, the amount was presented as restricted cash and owed to the related parties. Subsequent to December 31, 2023, the Company transferred the funds owing to each Spinco.

c. At December 31, 2023, the Company held 1,378,875 shares in each Spinco, representing 22.98% of each Spinco. The Company recognized a total of $33,455 as its share of loss from the Spincos from the period February 1 to December 31, 2023.

(Expressed in Canadian dollars)

7. Related Party Transactions

The Company's related parties includes its controlling parties, key management and the Spincos. The following are related party transactions that have occurred during the year ended December 31, 2023 and 2022.

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel for the year ended December 31, 2023 and 2022 are as follows:

	December 31, 2023	December 31, 2022
Salaries and wages	**$ 80,000**	$ 97,950
Consulting fees	**54,000**	-
Share-based compensation	**9,870**	100,130
	$ 143,870	$ 198,080

At December 31, 2023, accounts payable and accrued liabilities included a total of $21,178 (2022 - $nil) owing to key management personnel.

Due to and from the Spincos

The Company has the following balances with the Spincos:

	December 31, 2023	December 31, 2022
Amounts receivable from the Spincos	**$ 149,147**	$ -
Amount due to the Spincos (Note 6 (b))	**(972,625)**	-
Net amount due to Spincos	**$ 823,478**	$ -

The Company offsets the amounts receivable and payable to the Spincos as it has a legally enforceable right to do so and intends to settle the balance on a net basis.

The amounts owed to the Spincos are due on demand, unsecured and non-interest bearing.

(Expressed in Canadian dollars)

8. Share Capital

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares with no par value.

(b) Common shares issued and outstanding

On January 27, 2023, the Company completed a non-brokered private placement financing through the issuance of 2,713,500 common shares in the capital of the Company at a price of $0.25 per common share for gross proceeds of $678,750.

A total of 783,500 shares were issued to directors and officers for total gross proceeds of $195,875.

On May 24, 2023, the Company issued 137,500 shares to directors and officers for a total of $27,500. These shares were issued as a result of RSUs vested in the year. See below.

Under the Company's Plan, the Company can reserve up to 10% of the total issued and outstanding shares for the issuance and grant of options, RSUs and PSUs.

Restricted stock units

In May 2022, the Board of Directors approved the grant of an aggregate of 580,000 RSUs under the Plan to certain Officers, Directors and employees of the Company. Under the Plan, RSUs granted vest over a three year term, with 1/3 being fully vested on the first, second and third anniversary of the grant date. Grants of RSUs under the plan are measured at fair value on the grant date, which management has determined is equal to the market price of the underlying common shares on the grant date.

In 2022, 442,500 of the RSUs vested, with the balance of 137,500 shares vesting in May, 2023. The fair value of the awards was $116,000 with $9,870 recognized as an expense in the year-ended December 31, 2023 (2022 - $106,130).

Awards under the Plan are summarized as follows:

	Year Ended December 31, 2023		Year Ended December 31, 2022	
	Restricted Share Units	**Average Price**	Restricted Share Units	Average Price
Balance, beginning of year	**137,500**	**$ 0.20**	-	$ -
Issued during year	-	-	580,000	0.20
Vested during year	**(137,500)**	**(0.20)**	(442,500)	(0.20)
Balance, end of year	-	**$** -	137,500	$ 0.20

(Expressed in Canadian dollars)

9. General and Administrative Expenses

	Year ended	
	December 31, 2023	December 31, 2022
Salaries and benefits	**$ 4,621**	$ 52,488
Consulting and management fees	**145,500**	114,369
Professional fees	**67,630**	175,395
Business development, filing fees and office general	**48,782**	68,140
Banking and merchant fees	**4,207**	596
Total	**$ 270,740**	$ 410,988

10. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to ensure that the Company is able to meet its financial obligations as they become due. The capital structure consists solely of shareholders' equity as at December 31, 2023. The basis for the Company's capital structure is dependent on the Company's expected future investments and changes in business environment. To maintain or adjust the capital structure, the Company may issue new shares, incur debt or return capital to shareholders. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of business. Management reviews its capital management approach on an ongoing basis. There were no significant changes to the Company's capital management policies or procedures during the years ended December 31, 2023 and 2022.

The Company is not subject to externally imposed capital requirements as at December 31, 2023.

11. Financial Risk Management

The Company is exposed to varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and the loan receivable. The maximum credit exposure is the carrying value of these financial assets which amounted to $2,029,490 at December 31, 2023 (2022 - $959,660).

Cash consists of deposit accounts held with major banks in Canada. As most of the Company's cash is held by one bank, there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

The risk of credit loss on the loan receivable is substantially mitigated by assessing the credit quality of the counterparty, taking into account their financial position, past experience and other factors. Management actively monitors the Company's exposure to credit risk under its loan receivable.

11. Financial Risk Management (continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash. All of the Company's financial liabilities are due within one year or on demand, and are therefore, presented as current. At December 31, 2023 the Company had restricted cash and cash on hand of $1,618,490 to settle its current liabilities of $893,749.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements, and debt financing. The Company's access to financing is always uncertain. There can be no assurance that equity and debt funding will be available to the Company on terms acceptable to the Company, or at all.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to foreign exchange risk as it has U.S. dollar balances in cash. As at December 31, 2023, the Company has a nominal amount of cash denominated in U.S. dollars, therefore management considers foreign exchange to be a minimal risk. The Company has not hedged its exposure to currency fluctuations during the period.

Interest rate risk

Interest rate risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market interest rates. The Company considers interest rate risk to be minimal as the interest rate charged on the loan receivable is fixed.

Fair Value

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3	Inputs that are not based on observable market data

The Company determined that the carrying values of its financial assets and liabilities approximate the corresponding fair values because of the relatively short periods to maturity of these instruments and the low credit risk.

The Company has no assets or liabilities reported at fair value as at December 31, 2022 or 2023. The carrying value of the Company's cash, loan receivable, trade payables and accrued liabilities, and due to related parties approximate their fair value due to the short term to maturity or the terms being due on demand.

(Expressed in Canadian dollars)

12. Other Income

		2023		2022
Return of funds from intermediary	**$**	**-**	$	67,674
Interest and other income		**9,252**		1,940
Total	**$**	**9,252**	$	69,614

During the year ended December 31, 2022, the Company received $67,674 as a return of funds relating to expenses paid in 2021.

13. Income Taxes

The reconciliation of the income tax provision at the statutory tax rate to the reported income tax provision is as follows:

		December 31, 2023		December 31, 2022
Net income (loss) for the period before tax	**$**	**(155,755)**	$	(448,615)
Statutory tax rate		**27%**		27%
Expected income tax expense (recovery)		**(42,000)**		(121,000)
Non-deductible expenses and non-taxable income		**3,000**		29,000
Change in benefit of tax assets not recognized		**39,000**		92,000
Income tax expense	**$**	**-**	$	-

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

		December 31, 2023		December 31, 2022
Deferred tax assets				
Share issuance costs	**$**	**-**	$	477,778
Allowable capital costs		**765,000**		765,000
Non-capital losses - Canada		**28,073,000**		27,233,000
Non-capital losses – United States		**1,046,000**		1,046,000
Other temporary differences		**(92,000)**		-
Total	**$**	**29,792,000**	$	29,521,778

The non-capital losses can be carried forward to offset future taxable income, in certain circumstances, that expire in years 2028 – 2043.

14. Subsequent Events

On March 29, 2024, the Company transferred a total of $806,711 to the Spincos for $823,479 owing to the Spincos less $16,768 for additional receivables incurred prior to transfer.