



Certive Solutions Inc.

Condensed Consolidated Interim Financial Statements
(Expressed in U.S. Dollars)

As at and for the nine-months ended February 28, 2023

CONSOLIDATED FINANCIAL STATEMENTS

Condensed Consolidated Interim Statements of Financial Position	4
Condensed Consolidated Interim Statements of Operations	5
Condensed Consolidated Interim Statements of Cash Flows	6
Condensed Consolidated Interim Statements of Changes in Shareholders' Deficit	7
Notes to the Condensed Consolidated Interim Financial Statements	8 - 25

No Auditor Review of the Condensed Consolidated Interim Financial Statements

The accompanying unaudited condensed consolidated interim financial statements of Certive Solutions Inc. (the “Company”) as at and for the nine-months ended February 28, 2023 have been prepared by management and have not been the subject of a review by the Company’s external independent auditors.

Certive Solutions Inc.

Vancouver, British Columbia

May 1, 2023

Certive Solutions Inc.

Condensed consolidated interim statements of financial position as at:

(Unaudited - Expressed in U.S. Dollars)

	Notes	February 28, 2023	May 31, 2022
ASSETS			
Current assets			
Cash		\$ 22,240	\$ 10,462
Marketable securities	4	1,646	3,037
Receivables, net of allowance	5	227,430	282,084
Restricted assets	16	103,250	187,500
Prepayments and other		63,285	122,304
Total current assets		417,851	605,387
Non-current assets			
Receivable from sale of KCA	5	83,345	90,530
Intangible asset - software development	6	21,374	52,570
Total assets		\$ 522,570	\$ 748,487
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	\$ 5,152,084	\$ 3,871,065
Convertible debt	8	4,415,271	4,475,064
Short term loans	9	876,651	807,572
Note payable – current portion	10	272,124	309,556
Total current liabilities		10,716,130	9,463,257
Non-current liabilities			
Note payable – long term portion	10	237,201	243,056
Total liabilities		10,953,331	9,706,313
Shareholders' deficit			
Share capital		25,064,811	25,012,792
Reserve – Transaction costs		(655,877)	(655,877)
Reserve – Share options	11	2,190,664	2,180,167
Reserve – Share warrants	11	728,387	728,387
Contributed surplus		766,829	766,829
Equity portion of convertible debt		894,751	880,730
Deficit		(39,420,326)	(37,870,854)
Total shareholders' deficit		(10,430,761)	(8,957,826)
Total shareholders' deficit and liabilities		\$ 522,570	\$ 748,487

Nature of operations and going concern (Note 1)

Subsequent events (Note 17)

Certive Solutions Inc.

Condensed consolidated interim statements of operations for three-months and nine-months ended:
(Unaudited - Expressed in U.S. Dollars)

	Notes	Three-months ended February 28, 2023	Three-months ended February 28, 2022	Nine-months ended February 28, 2023	Nine-months ended February 28, 2022
REVENUE					
Lost charge recovery services		\$ 193,346	\$ 321,377	\$ 655,812	\$ 941,566
DRG review services		111,234	-	284,797	-
Total Revenue		304,580	321,377	940,609	941,566
COST OF REVENUE					
Commissions		4,608	4,985	16,946	21,321
Contractors and consulting fees		12,200	12,050	93,695	36,500
Direct payroll and employee benefits		217,994	332,120	777,981	1,050,751
License fees		-	-	-	70
Total cost of revenue		234,802	349,155	888,622	1,108,642
Gross profit (loss)		69,778	(27,778)	51,987	(167,076)
OPERATING EXPENSES					
Amortization	6	7,982	19,569	31,196	58,708
Bad debt expense	5	12,080	19,465	10,633	53,188
Bank charges and interest		217,828	242,498	656,485	661,792
Consulting fees	13	38,000	44,580	112,000	78,580
Foreign exchange (gain) loss		(32,221)	18,420	(241,736)	(170,340)
General and administrative		56,236	61,014	152,412	182,858
Professional fees		37,904	94,210	140,276	128,202
Rent		6,292	7,902	20,219	23,706
Salaries and wages	13	156,544	221,788	598,253	668,694
Sales and marketing		13,819	9,742	37,532	22,536
Share-based compensation	11	(1,980)	2,259	10,497	6,778
Transfer agent and filing fees		22,912	7,004	36,238	30,417
Travel and promotion		-	-	-	629
Total operating expenses		535,396	748,451	1,564,005	1,745,748
Loss from operations		(465,618)	(776,229)	(1,512,018)	(1,912,824)
OTHER INCOME (EXPENSE)					
Derivative recovery	12	-	-	-	230,575
Gain on law suit settlement		-	305,500	-	305,500
Gain on debt forgiveness		-	-	8,000	-
Unrealized gain on marketable securities	4	712	(8,541)	(1,204)	(30,370)
Unrealized loss on restricted assets		(44,250)	-	(44,250)	-
Recovery of accounts payable		-	31,587	-	36,035
Other income, net		(43,538)	328,546	(37,454)	541,740
NET LOSS		\$ (509,156)	\$ (447,683)	\$ (1,549,472)	\$ (1,371,084)
Basic and diluted loss per common share		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding		160,202,576	144,490,328	159,880,250	144,490,328

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

Certive Solutions Inc.

Condensed consolidated interim statements of cash flows for the nine-months ended:
(Unaudited - Expressed in U.S. Dollars)

	February 28, 2023	February 28, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (1,549,472)	\$ (1,371,084)
Amortization and depreciation expense	31,196	58,708
Share-based compensation expense	10,497	6,778
Accrued interest and accretion	97,396	759,108
Recovery of accounts payable	2,830	(36,035)
Derivative recovery (expense)	-	(230,575)
Foreign exchange loss (gain)	(125,810)	(24,284)
Gain from write-off of debt	(8,000)	-
Unrealized loss on marketable securities	1,204	30,370
Non-cash working capital item changes:		
Receivables, net	54,654	28,337
Restricted Assets	84,250	
Prepaid and other assets	59,019	(66,862)
Accrued interest converted to equity	4,213	-
Exercise of stock options through conversion of accounts payable	27,806	-
Accounts payable and accrued liabilities (less amounts converted to equity)	806,019	183,706
Net cash used in operating activities	<u>(504,198)</u>	<u>(661,833)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from KCA	7,185	6,244
Net cash provided by investing activities	<u>7,185</u>	<u>6,244</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from officer advances in accounts payable	475,000	-
Proceeds from short term loans	100,000	-
Proceeds from convertible debt issuance	-	858,284
Payment on short term loan	(22,921)	(179,357)
Payment on notes payable	(43,288)	-
Net cash provided by financing activities	<u>508,791</u>	<u>678,927</u>
Net increase (decrease) in cash during the period	11,778	23,338
Cash, beginning of the period	10,462	1,935
Cash, end of the period	\$ 22,240	\$ 25,273
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 43,420	\$ 81,082
Cash paid for income taxes	\$ -	\$ -

Non-cash transactions affecting cash flows from financing and investing activities for the nine-months ended February 28, 2023:

- The Company issued 403,543 shares through converting \$24,213 of convertible debt, which included principal and accrued interest (Note 11).

There were no non-cash transactions affecting cash flows from financing and investing activities for the nine-months ended February 28, 2022.

Certive Solutions Inc.

Condensed consolidated interim statements of changes in shareholders' deficit for the nine-months ended February 28, 2023 and the year ended May 31, 2022:
(Unaudited - Expressed in U.S. Dollars)

Capital Stock										
			Reserve – Transaction Costs	Reserve – Share Options	Reserve - Warrants	Contributed Surplus	Equity Portion of Convertible Debt	Accumulated Deficit	Total Shareholders' Deficit	
Balance as at May 31, 2021	144,404,692	\$ 24,311,081	\$ (655,877)	\$ 1,880,841	\$ 728,387	\$ 766,829	\$ 618,879	\$ (35,392,083)	\$ (7,741,943)	
Convertible debt issued	-	-	-	-	-	-	261,851	-	261,851	
Shares issued for the conversion of convertible debt	15,019,341	701,711	-	-	-	-	-	-	701,711	
Share-based compensation	-	-	-	299,326	-	-	-	-	299,326	
Net loss	-	-	-	-	-	-	-	(2,478,771)	(2,478,771)	
Balance as at May 31, 2022	159,424,033	\$ 25,012,792	\$ (655,877)	\$ 2,180,167	\$ 728,387	\$ 766,829	\$ 880,730	\$ (37,870,854)	\$ (8,957,826)	
Convertible debt issued	-	-	-	-	-	-	14,021	-	14,021	
Shares issued for the conversion of convertible debt	403,543	24,213	-	-	-	-	-	-	24,213	
Shares issued for exercise of stock options	750,000	27,806	-	-	-	-	-	-	27,806	
Share-based compensation	-	-	-	10,497	-	-	-	-	10,497	
Net loss	-	-	-	-	-	-	-	(1,549,472)	(1,549,472)	
Balance as at February 28, 2023	160,577,576	\$ 25,064,811	\$ (655,877)	\$ 2,190,664	\$ 728,387	\$ 766,829	\$ 894,751	\$ (39,420,326)	\$ (10,430,761)	

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

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Certive Solutions Inc. (the “Company”) was incorporated under the Laws of British Columbia and is traded on the Canadian Security Exchange (“CSE”) and is quoted on the OTCQB in the United States. The Company provides Revenue Cycle Management Services to U.S. hospitals, delivered collaboratively, utilizing proprietary workflow document management and analytics tools tailored to health care business processes. The Company currently provides services to hospital clients enhancing the efficiency and effectiveness of lost charge recovery services, in revenue sharing relationships that improve hospital clients’ net operating results.

The Company’s mailing address is at its operational headquarters located at 8149 N. 87th Place, Scottsdale, Arizona 85258.

These condensed consolidated interim financial statements of the Company are presented in U.S. dollars, unless otherwise indicated, which is the functional currency of the Company.

These condensed consolidated interim financial statements have been prepared using International Financial Reporting Standards (“IFRS”) on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. After experiencing a net loss of (\$1,549,472) for the nine-months ended February 28, 2023, the Company has a working capital deficit of (\$10,298,279), and a total shareholders’ deficit of (\$10,430,761) as at February 28, 2023. As at May 31, 2022, the Company had a working capital deficit of (\$8,739,870), a loss for the year of (\$2,360,771) and a total shareholders’ deficit of (\$8,957,826).

Management of the Company does not expect that cash flows for the Company’s operations will be enough to cover its operating requirements, financial commitments, and business development priorities during the next twelve months. The Company will need to obtain further financing in the form of debt, equity, or a combination thereof for the next twelve months to fund operations. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. There is also uncertainty as the likely effects of the novel coronavirus (“COVID-19”) outbreak which may, among other things, impact the Company’s operations and ability to raise further financing (see Note 18). If adequate funds are not available, the Company may be required to delay or reduce the scope of its operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

2. BASIS OF PRESENTATION

a) Statement of compliance to International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of condensed consolidated interim financial statements, including IAS 34, Interim Financial Reporting and using the same accounting policies and methods of computation as the Company’s audited consolidated financial statements for the year ended May 31, 2022. These condensed consolidated interim financial statements do not include all the information required for full annual consolidated financial statements. These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended May 31, 2022.

The accounting policies followed by the Company are as set out in the audited consolidated financial statements for the year ended May 31, 2022 and have been consistently followed in the preparation of these condensed consolidated financial statements.

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments classified as fair value through profit and loss, and available for sale, which are stated at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The comparative figures presented in these condensed consolidated interim financial statements are in accordance with IFRS.

These condensed consolidated interim financial statements were reviewed and approved and authorized for issue by the Board of Directors of the Company on May 1, 2023.

b) Significant accounting judgments and estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements. Actual results could differ from these estimates.

Critical judgments

The preparation of these condensed consolidated interim financial statements requires management to make judgments regarding the going concern of the Company, as previously discussed in Note 1, as well as determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries has been determined to be the U.S. dollar.

Key sources of estimation uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be material. Significant estimates made by management affecting the consolidated financial statements include:

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

2. BASIS OF PRESENTATION (cont'd...)

b) Significant accounting judgments and estimates (cont'd...)

i) Share-based payments

Estimating the fair value for granted stock options and compensatory warrants 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 model including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

ii) Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future years in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future years.

iii) Carrying values of tangible and intangible assets

The Company assesses the carrying value of its tangible and intangible assets annually or more frequently if warranted by a change in circumstances. If it is determined that carrying values of assets cannot be recovered, the unrecoverable amounts are charged against current earnings. Recoverability is dependent upon assumption and judgments regarding market conditions, costs of operations and sustaining capital requirements. Other assumptions used in the calculation of recoverable amounts are discount rates, and future cash flows. A material change in the assumptions may significantly impact the potential impairment of these assets.

iv) Useful lives of intangible assets

Estimates of the useful lives of intangible assets are based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed annually and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of the relevant assets may be based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by the changes in these factors and circumstances.

v) Discount rates used in convertible debentures

The Company calculates the liability portion of convertible debentures by calculating the present value of the loan and related interest, using a discount rate equal to the market rate that would be given for similar debt, without a conversion feature. Management determines this rate by assessing what rate the Company could borrow funds at from an unrelated party.

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

2. BASIS OF PRESENTATION (cont'd...)

b) Significant accounting judgments and estimates (cont'd...)

vi) Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

c) Determination of functional currency

The functional currency is the currency of the primary economic environment in which the entity operates. Management has determined that the functional currency for the Company, and its subsidiaries is the U.S. dollar.

d) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. Inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing these condensed consolidated interim financial statements. Details of the Company's subsidiaries are as follows:

Name	Place of Incorporation	Feb. 28, 2023 Interest %	May 31, 2022 Interest %	Principal activity
Certive Solutions Inc. (the parent company)	British Columbia, Canada	N/A	N/A	Management solutions
Certive Health Inc. ("CHI")	Arizona, United States	100%	100%	Management solutions
Certive Health Revenue Solutions Inc. ("CHRS") (formerly "Omega Technology Solutions Inc.")	Arizona, United States	100%	100%	Healthcare revenue cycle management solutions
Certive Health Compliance Solutions Inc. ("CHCS")	Arizona, United States	100%	100%	Selling and servicing a cyber-security suite of products to the healthcare industry
Advantive Information Systems Inc. ("AIS")	Arizona, United States	100%	100%	Dormant

3. NEW AND FUTURE ACCOUNTING POLICIES

Future accounting pronouncements

A number of new standards, amendments to standards and interpretations are not yet effective as at the date of issuing these statements and have not been applied in preparing these financial statements. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements.

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

4. MARKETABLE SECURITIES

Cost:	
At May 31, 2021 and 2022 and February 28, 2023	\$ 7,474
Fair value:	
Fair value at May 31, 2021	\$ 36,785
Unrealized loss	(35,595)
Foreign exchange gain	1,847
Fair value at May 31, 2022	3,037
Unrealized loss	(1,204)
Foreign exchange loss	(187)
Fair value at February 28, 2023	\$ 1,646

5. RECEIVABLES

Receivables, net of allowance, as at February 28, 2023 and May 31, 2022:

	Feb. 28, 2023		May 31, 2022	
HST input tax credits	\$	15,350	\$	13,160
Trade receivables		83,150		29,001
Work in progress ("WIP")		237,159		338,264
Allowance for uncollectible WIP		(108,229)		(98,341)
	\$	227,430	\$	282,084

The average credit period on rendering of services is between 30 to 45 days. No interest is charged on outstanding trade receivables.

Receivable from sale of KCA:

During the year ended May 31, 2019, the Company entered into a Sale Agreement (the "Sale Agreement") to sell the stock of Knowledge Capital Alliance Inc. ("KCA") to KCA's president (the "Purchaser") effective as of May 31, 2019. The terms of the Sale Agreement are as follows:

The Company sold the original 100 shares received in the acquisition of KCA to the Purchaser for \$1,200,000 (the "Purchase Price"). As such, all assets, liabilities, and business of KCA were transferred to the Purchaser by the Company effective as of May 31, 2019 and relinquished any rights or interest in the operating results of KCA that are earned on or after June 1, 2019. The 100 shares of stock in Knowledge Capital Alliance Inc. will remain in safekeeping with Trustee until the terms of the Sale Agreement are fulfilled.

The Purchase Price was made up as follows:

- The Purchaser transferred 900,000 shares of the Company back to the Company, at a value of \$270,000; and
- Cash in the amount of \$930,000 to be paid in monthly installments of net revenues as follows:

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

5. RECEIVABLES (Cont'd...)

Annualize net revenue	Monthly percentage payment
Less than \$400,000	3.0%
\$400,000 - \$499,999	5.0%
\$500,000 - \$750,000	7.5%
\$750,001 - \$1,000,000	10.0%
\$1,000,001 - \$2,000,000	12.5%
Greater than \$2,000,000	15.0%

Following the final and full payment of \$930,000, an on-going royalty of 5.0% of the net revenues shall be paid to the Purchaser of the Company on a quarterly basis for a period of 36-months.

In the event that KCA is sold by the Purchaser prior to the payment of \$930,000, the remainder of the payment will be due to the Company, in addition to 15% of the excess purchase price over \$930,000.

The Company determined, based on the net revenues of KCA, that it will not collect the full \$930,000. As a result, the Company calculated that the amount receivable was \$112,851 as at May 31, 2019, based on a 5-year cash flow projection, using a discounted rate of 20%, and 5-year projected net revenues of KCA. The Company's receivable from KCA as at February 28, 2023 and May 31, 2022 is \$83,345 and \$90,530, respectively.

6. SOFTWARE DEVELOPMENT

	Software Development
<u>Cost:</u>	
At May 31, 2021, 2022 and February 28, 2023	\$ 573,316
<u>Accumulated Amortization:</u>	
Balance at May 31, 2021	\$ 442,468
Amortization	78,278
Balance at May 31, 2022	520,746
Amortization	31,196
Balance at February 28, 2023	\$ 551,942
<u>Fair Value:</u>	
At May 31, 2021	\$ 130,848
At May 31, 2022	\$ 52,570
At February 28, 2023	\$ 21,374

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	Feb. 28, 2023	May 31, 2022
Accounts payable	\$ 1,463,556	\$ 875,256
Accrued liabilities - interest	2,179,310	1,803,001
Accrued liabilities - payroll costs	496,805	370,854
Accrued liabilities - payroll tax liabilities	935,111	702,724
Accrued liabilities - other	77,302	119,230
	\$ 5,152,084	\$ 3,871,065

8. CONVERTIBLE DEBT

As at February 28, 2023 and May 31, 2022, the Company had the following convertible debt:

Description	Face value	Total liability	Total liability
		Feb. 28, 2023	May 31, 2022
Past due convertible note, convertible at CDN\$0.50 per unit, with each unit consisting of one common share, and one common share purchase warrant, exercisable at CDN\$0.55 for one year, accruing interest at 8% per annum.	CDN\$ 373,000	274,080	294,894
Past due convertible note, convertible at CDN\$0.30 per share, accruing interest at 12% per annum.	CDN\$ 10,000	7,348	7,906
Past due convertible note, convertible at CDN\$0.20 per share, accruing interest at 10% per annum until the maturity date, and 18% per annum thereafter	CDN\$ 400,000	293,920	316,240
Past due convertible note, convertible at CDN\$0.15 per share, accruing interest at 10% per annum until the maturity date, and 18% per annum thereafter	CDN\$ 700,000	514,360	553,420
Past due convertible note, convertible at \$0.03 per share, accruing interest of 15% per annum	\$ 50,000	50,000	50,000
Past due convertible note, convertible at \$0.06 per share, accruing interest of 18% per annum	\$ 50,000	50,000	50,000
Past due convertible note, convertible at \$0.04 per share, accruing interest of 10% per annum with interest compounding every six months	\$ 90,000	90,000	90,000
Past due convertible note, convertible at CDN\$0.04 per share, accruing interest of 10% per annum until the maturity date, and 18% per annum thereafter	CDN\$ 375,000	275,550	296,475
Past due convertible note, convertible at CDN\$0.06 per share, accruing interest of 10% per annum until the maturity date, and 18% per annum thereafter	CDN\$ 400,000	293,920	316,240
Mature in February 2024, convertible at \$0.14, accruing interest of 10% per annum	\$ 128,207	120,625	128,207
Past due convertible note, convertible at \$0.15 per share, accruing interest of 10% per annum until the maturity date, then 18% per annum thereafter	\$ 100,000	100,000	100,000
Past due convertible note, convertible at \$0.06 per share, accruing interest of 8% per annum (Note 15)	\$ 819,093	307,625	327,625
Mature on February 29, 2024, convertible at \$0.14 per share, accruing interest of 12% per annum (Note 15)	\$ 747,052	700,827	672,667
Mature on November 30, 2024, convertible at \$0.14 per share, accruing interest of 12% per annum (Note 15)	\$ 452,609	421,659	406,420
Mature on October 15, 2025, convertible at \$0.14 per share, accruing interest of 10% per annum (Note 15)	\$ 1,144,447	915,358	867,800
Transaction Costs – Liability Portion			(2,830)
		\$ 4,415,271	\$ 4,475,064

As at February 28, 2023 and May 31, 2022, the Company has the following convertible notes outstanding:

	Feb. 28, 2023	May 31, 2022
Convertible notes overdue	\$ 2,256,803	\$ 2,402,800
Convertible notes due within one year	821,452	-
Convertible notes due after 12 months from period end	1,337,016	2,072,264
	\$ 4,415,271	\$ 4,475,064

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

8. CONVERTIBLE DEBT (Cont'd...)

During the nine-months ended February 28, 2023, the Company had the following convertible debt transactions:

In July 2022, a past due convertible note with a face value of \$20,000 plus accrued interest of \$4,213 was converted to 403,543 shares of stock at a conversion price of \$0.06 per share.

During the year ended May 31, 2022, the Company had the following convertible debt transactions:

The Company offered four-year 10% convertible promissory notes, the recognition of the fair value of the liability was made when the Company initially closed such offering effective October 15, 2021 (the "Closing Date"). The notes are due October 15, 2025, and, during the term, the unpaid principal and unpaid accrued interest, if any, may be converted into common shares of Certive at \$0.14 per share. The notes are to be repaid from, among other sources, the lenders' pro rata share of 1/4 of the net cash collections from four of the Company's clients. The Company shall not be penalized for early repayment of any or all the notes. As of May 31, 2022, such offering represents \$1,144,447 face value of convertible promissory notes and \$867,800 of the liability. Two notes dated 5/3/17 for \$75,000 and 10/4/16 for \$23,355 and \$60,000 of funds owed in trade payables were converted into these 10% convertible promissory notes.

Effective on February 28, 2022, the Company and a Lender agreed to extend the due date of a convertible promissory note with original principal of \$75,000 and unpaid accrued interest of \$53,207 replacing a promissory note originally dated May 1, 2017. The new 10% promissory note dated February 28, 2022 has a principal balance of \$128,207 and a due date of February 28, 2024 and may be converted into common stock of Certive at \$0.14/share.

Effective on April 30, 2022, the Company and a Lender agreed to a renewal (extension) and consolidation promissory note replacing two convertible promissory notes of the Company. The new 8% promissory note dated April 30, 2022 has a principal balance of \$102,613 (the consolidated unpaid principal and accrued interest of the two former notes) and a due date of May 1, 2026.

On October 14, 2022, a lender and the Company entered into an agreement to extend the due date of a \$90,000 convertible promissory note originally dated November 24, 2017 and due November 24, 2019. The note's amended due date is May 31, 2023.

On December 22, 2022, the Company's Board of Directors also approved management's recommendation to amend the repayment source for a prior Offering of four-year 12% convertible promissory notes from 1/3 of the net revenue received from its contract with its former client Tower Health to utilizing 1/4 of the revenue received from its new DRG Review Services line of business.

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

9. SHORT-TERM LOANS

Loans are made of the following:

	Feb. 28, 2023	May 31, 2022
Loans from related parties (Note 13) (1)	\$ 321,780	\$ 344,861
Loans from other entities (2)	554,871	462,711
	\$ 876,651	\$ 807,572

⁽¹⁾ As at February 28, 2023, of these short-term loans from related parties, \$57,780 are non-interest-bearing advances to the Company, due on demand. Of the remaining \$264,000, \$114,000 have an interest rate of 12% and are due on demand and \$150,000 have an interest rate of 10% and all are due on demand. As at May 31, 2022, of these short-term loans from related parties, \$80,861 are non-interest-bearing advances to the Company, due on demand. Of the remaining \$264,000, \$114,000 have an interest rate of 12% and \$150,000 have an interest rate of 10% and all are due on demand.

⁽²⁾ As at February 28, 2023, of these short-term loans from other parties, \$75,000 are noninterest bearing advances to the Company, due on demand. Of the remaining \$479,871, \$125,000 have an interest rate of 12% and are due on demand and \$350,000 have an interest rate of 10% and all are due on demand. The remaining \$4,871 is a line of credit owing to a financial institution that bears interest at 4% per annum. As at May 31, 2022, of these short-term loans from other parties, \$83,000 are noninterest bearing advances to the Company, due on demand. Of the remaining \$379,711, \$125,000 have an interest rate of 12% and \$250,000 have an interest rate of 10% and all are due on demand. The remaining \$4,711 is a line of credit owing to a financial institution that bears interest at 4% per annum.

10. NOTES PAYABLE

During the year ended May 31, 2016, the Company completed the acquisition of the assets of Omega Technology Solutions LLC (“Omega”). In connection with the acquisition, the Company issued a convertible promissory note of \$600,000 to the former owner of Omega’s assets, which was converted into 10,000,000 common shares of the Company. In addition, 1,300,000 common shares of the Company, with a deemed value of \$240,000, were issued as directed by the former owner of Omega’s assets.

The Company also agreed to make payments totaling \$500,000, which when paid, will be full settlement of any amounts owed between the Company and the former owner of Omega’s assets as follows:

- \$50,000 to be paid during the year ended May 31, 2019 (paid);
- \$50,000 to be paid on May 31, 2019 (paid);
- \$50,000 to be paid on November 30, 2019 (paid in January 2020);
- \$50,000 to be paid on November 30, 2019 (paid in January 2020); and
- \$50,000 to be paid on February 29, 2020 (past due).
- With respect to the remaining \$250,000, 25% of Omega’s net income will be paid quarterly through November 30, 2020, when any remaining balance becomes due (past due).

As at February 28, 2023 and May 31, 2022, the remaining unpaid balance of \$264,377 and \$300,000, respectfully, is included in notes payable – current portion.

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

10. NOTES PAYABLE (Cont'd...)

On July 26, 2020, the Company was awarded a \$150,000 SBA EIDL with an interest rate of 3.75%, repayments deferred for one year and then monthly payments based on a 30-year term loan. As at February 28, 2023 and May 31, 2022, the long-term portion of the note payable was \$146,253 and \$150,000, respectively, and the current portion of the note payable was \$3,222 and \$0, respectively. During the month of April 2021, the SBA announced that it was extending the first payment due date for the EIDL for 30 months from the loan date. Under these updated terms, the Company would not be expected to make the first EIDL payment until January 2023.

As described more fully in Note 9, the Company and a Lender agreed on a loan consolidation and extension agreement on April 30, 2022, whereby two convertible promissory notes with principal and unpaid accrued interest of \$102,612 were replaced by a non-convertible promissory note, which, the long-term of the note payable was \$90,948 and \$94,377 and the current portion of the note payable was \$4,526 and \$8,236 as at February 28, 2023 and May 31, 2022, respectively.

Notes payable – Principal repayments over the next five years are as follows:

<u>Years ended February 28:</u>	<u>Amount</u>
2024	\$272,124
2025	8,246
2026	8,780
2027	84,174
2028	3,371
Thereafter	<u>132,629</u>
Total	<u>\$509,324</u>

11. SHARE CAPITAL

a) Common stock

Authorized

Unlimited common shares without par value.

Issued and outstanding: February 28, 2023, 160,577,576 shares; May 31, 2022, 159,424,033 shares.

During the nine-months ended February 28, 2023, the Company issued 403,543 shares through converting \$24,213 of convertible debt, which included principal and accrued interest. In addition, the Company issued 750,000 shares upon the exercise of stock options by the Company's CEO and CFO at CDN\$0.05/share.

During the year ended May 31, 2022, the Company issued 15,019,341 shares through converting \$701,711 of convertible debt, which included principal and accrued interest.

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

11. SHARE CAPITAL (cont'd...)

a) Common stock (cont'd...)

The Company's current Offering, which the Board amended on December 22, 2022, is a private placement raise of \$1,000,000, which is intended to be sold in 40 - \$25,000 "Units." Each Unit consists of: a) 156,250 shares of the Company's common stock at a deemed value of \$0.08/share; b) 78,125 share purchase warrants to acquire additional common shares of the Company, which are exercisable for two years from the Offering's Closing Date at \$0.14/share; c) a 1/800 ownership in the Company's subsidiary Certive Health Compliance Solutions Inc. (based on a deemed valuation of \$10M), which was created to provide cybersecurity sales and services in the healthcare industry; and d) Funds received for this Offering will accrue simple interest at 10% per annum, which will be settled at Closing with additional shares of the Company's common stock at a deemed value of \$0.08/share.

b) Purchase warrants

As at February 28, 2023 and May 31, 2022, the Company has no outstanding share purchase warrants:

c) Stock options

The Company's Stock Option Plan is a 20% rolling plan that allows a maximum 20% of the issued shares to be reserved for issuance under the plan. Options granted under the plan may not have a term exceeding 10 years and vesting provisions are at the discretion of the Board of Directors.

The following summarizes the continuity of stock options:

	Number of Stock Options	Weighted Average Exercise Price
Outstanding, May 31, 2021	2,200,000	\$0.12
Granted ^{(2)(3) (5)}	6,400,000	\$0.10
Expired ⁽¹⁾⁽⁴⁾	(1,250,000)	\$0.22
Outstanding, May 31, 2022	7,350,000	\$0.09
Exercised ⁽⁶⁾	(750,000)	\$0.04
Outstanding, February 28, 2023	6,600,000	\$0.10

(1) On September 13, 2021, 1,050,000 stock options expired pertaining to the Company's former CEO. Such expired stock options were exercisable at \$0.22/share.

(2) On October 6, 2021, pursuant to an agreement for investor relations services dated September 17, 2021 between the parties, 100,000 stock options were granted to the Company's Investor Relations firm exercisable at \$0.06/share, which expire in 10-years. These options vest 25% on December 15, 2021, March 15, 2022, June 15, 2022 and September 15, 2022.

(3) On October 29, 2021, the Company granted the following stock options:

a. 6,000,000 stock options were granted primarily to the Company's executive management team and to the members of the Company's Advisory Council exercisable at \$0.10/share and expire in 10-years; and

b. 200,000 stock options were granted to the Company's independent Directors, which vest in 1-year, are exercisable at CDN\$0.05/share and expire in 10-years.

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

*(Unaudited - Expressed in U.S. Dollars)***11. SHARE CAPITAL (cont'd...)****c) Stock options (cont'd...)**

- (4) On January 5, 2022, 90-days after the Company's October 6, 2021 Annual General and Special Meeting of Shareholders was held, 200,000 stock options expired, which were previously granted by the Company to an independent director who was not re-elected to the Company's Board of Directors. Such expired stock options were exercisable at CDN\$0.05/share.
- (5) On April 29, 2022, pursuant to an agreement for social media services dated January 10, 2022 between the parties, the Company granted an additional 100,000 stock option to the Company's Investor Relations firm exercisable at CDN\$0.07/share, which expire in 10-years. These stock options vest 25% on April 15, 2022, July 15, 2022, October 15, 2022 and January 15, 2023.
- (6) In January 2023, the Company's CEO and CFO exercised 750,000 stock options at CDN\$0.05/share.

As at February 28, 2023, the following stock options were outstanding to directors, officers, employees and consultants of the Company:

Outstanding	Exercisable	Exercise Price	Remaining Life (Years)	Expiry Date
100,000	100,000	CDN\$0.05	5.92	January 29, 2029
100,000	100,000	CDN\$0.05	7.08	March 31, 2030
100,000	100,000	\$0.06	8.58	October 6, 2031
200,000	200,000	CDN\$0.05	8.67	October 29, 2031
6,000,000	6,000,000	\$0.10	8.67	October 29, 2031
100,000	100,000	CDN\$0.07	9.08	April 29, 2032
6,600,000	6,600,000	\$0.10	8.42	

As at May 31, 2022, the following stock options were outstanding to directors, officers, employees and consultants of the Company:

Outstanding	Exercisable	Exercise Price	Remaining Life (Years)	Expiry Date
100,000	100,000	CDN\$0.05	6.67	January 29, 2029
750,000	-	CDN\$0.05	7.54	December 18, 2029
100,000	100,000	CDN\$0.05	7.83	March 31, 2030
100,000	50,000	\$0.06	9.33	October 6, 2031
200,000	-	CDN\$0.05	9.42	October 29, 2031
6,000,000	6,000,000	\$0.10	9.42	October 29, 2031
100,000	25,000	CDN\$0.07	9.83	April 29, 2032
7,350,000	6,275,000	\$0.09	9.17	

The Company recognizes compensation expense for all stock options granted using the fair value-based method of accounting. The Company recognized share-based compensation expense of \$10,497 and \$299,326 for the nine-months ended February 28, 2023 and for the year ended May 31, 2022, respectively.

Certive Solutions Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the nine-months ended February 28, 2023

*(Unaudited - Expressed in U.S. Dollars)***11. SHARE CAPITAL (cont'd...)****c) Stock options (cont'd...)**

The fair value of the stock options during the period was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	February 28, 2023	May 31, 2022
Expected volatility	227.66%	227.66%
Expected option life (years)	9.2	9.2
Risk-free interest rate	1.67%	1.67%
Expected dividend yield	0%	0%

CERTIVE SOLUTIONS INC.

Notes to condensed consolidated interim financial statements

As at and for the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

12. DERIVATIVE LIABILITY

The derivative financial liability consists of the fair value of non-compensatory share purchase warrants and convertible notes that have an exercise price or a conversion price that is variable. On October 31, 2021, the 8% 2-year promissory notes with a variable exercise price, which had not yet been converted, matured and were no longer convertible at the option of the Lender. At such time, the remaining derivative liability of \$230,575 was recorded as a gain during the nine-months ended February 28, 2022. Accordingly, there was no derivative liability recorded as at May 31, 2022 and February 28, 2023.

13. RELATED PARTY TRANSACTIONS

Balances and transactions between the Parent Company and its consolidated subsidiaries, which are related parties of the Parent, have been eliminated on consolidation and are not disclosed in this note. The Company's related parties consist of its Directors, Key Management Personals ("KMPs") and companies owned in whole or in part by KMPs and directors as follows:

<u>Name</u>	<u>Position and nature of relationship</u>
UTA Holdings, LLC	Company controlled by advisory council member
SMA Group, LLC	Company controlled by key management personnel
Miller and Associates Environmental Consultants Inc.	Company controlled by the corporate secretary
Hyland Property Management Services LLC	Company controlled by officer and director
Lena V. LaMantia Trust	Company controlled by officer and director
Tim Hyland	Director, officer and former advisory council member
Tom Marreel	Director, officer and former advisory council member
Sheila Schweitzer	Independent director and advisory council member
Jeff Wareham	Independent director
Scott Thomas	Director and VP of investor relations
Mike Miller	Corporate secretary and chief legal officer
Ann Fierro	Key management personnel
Jeff Benton	Advisory council member
Arthur Pelberg, M.D.	Advisory council member
Jack Chapman	Advisory council member
Steve Schramm	Advisory council member
Don Gilbert	Advisory council member
J.J. Linder, M.D.	Advisory council member
John Orsini	Advisory council member
Tim Bricker	Advisory council member

The amounts due (to) or from the related parties are as follows:

	<u>Nature of relationship</u>	<u>February 28, 2023</u>	<u>May 31, 2022</u>
Accounts payable (Note 7)	Directors, key management personnel, and companies controlled by these parties	\$ 1,207,458	\$ 491,363
Convertible loans – face value (Note 8)	Directors	\$ 274,047	\$ 341,224
Convertible loans – face value (Note 8)	Advisory board member	\$ 421,498	\$ 352,437
Notes payable (Note 10)	Key management personnel	\$ 264,377	\$ 300,000
Short-term loans payable (Note 9)	Directors and key management	\$ 321,780	\$ 344,861

CERTIVE SOLUTIONS INC.

Notes to condensed consolidated interim financial statements

As at and for the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

13. RELATED PARTY TRANSACTIONS (cont'd...)

The Company incurred the following fees and expenses in the normal course of operations in connection with companies owned by key management and directors. Expenses have been measured at the exchange amount which is determined based on actual cost. There is no other remuneration of directors or other members of key management personnel during the three-months and nine-months ended February 28, 2023 and 2021 are as follows:

	Nine-months ended February 28, 2023	Nine-months ended February 28, 2022	Three-months ended February 28, 2023	Three-months ended February 28, 2022
Salaries to key management personnel, included in operating expenses	\$ 117,000	\$ 99,000	\$ 39,000	\$ 33,000
Total	\$ 117,000	\$ 99,000	\$ 39,000	\$ 33,000

14. MANAGEMENT OF CAPITAL

The Company considers its common shares, stock options and share purchase warrants as capital. Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its assets and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk. The Company is not subject to any externally imposed capital requirements.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt or acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing efforts, the Company does not pay out dividends. The Company's Investment policy is to keep its cash treasury invested in demand certificates of deposit with major financial institutions.

There have been no changes to the Company's approach to capital management during the nine-months ended February 28, 2023.

CERTIVE SOLUTIONS INC.

Notes to condensed consolidated interim financial statements

As at and for the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, marketable securities, receivables, accounts payable, convertible debt, short-term loans, notes payable derivative liability and lease liability.

The fair value of cash and marketable securities are measured on the statement of financial position using level 1 of the fair value hierarchy. The fair value of the lease liability is measured on the statement of financial position using level 2 of the fair value hierarchy. The fair value of convertible debt and derivative liability is measured on the statement of financial position using level 3 of the fair value hierarchy. The fair values of receivables, accounts payable, and short-term loans and notes payable approximate their book values because of the short-term nature of these instruments. The fair value of the long-term portion of the note payable approximates its carrying value.

Financial instrument risk exposure

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, and market risk, which includes currency risk, interest rate risk and price risk.

a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company has no material counterparties to its financial instruments with the exception of the Financial institutions which hold its cash and receivables. The Company manages this credit risk by ensuring that these financial assets are placed with a major financial institution with strong investment grade ratings by a primary ratings agency. In addition, the Company affords credit to customers with which it believes it will collect payment. The Company does not believe it has a material exposure to credit risk.

b) 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 manages liquidity risk through the management of its capital structure as described in Note 19. There is a risk that the Company may not be able to meet its financial obligation when they are due. All of the Company's accounts payable have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign exchange rates, interest rates, and commodity and equity prices.

CERTIVE SOLUTIONS INC.

Notes to condensed consolidated interim financial statements

As at and for the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd...)

(i) *Foreign exchange risk*

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's functional currency is the United States dollar as the Company's main center of operations is in the United States. As at November 30, 2020, the Company has approximately CDN\$2,600,000 of financial liabilities denominated in Canadian dollars. A 10% change in exchange rate would result in a change to loss and comprehensive loss of approximately \$206,000.

(ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of interest rate risk on its notes payable is minimal, as these have a short-term to maturity, and a fixed interest rate.

(iii) *Price risk*

The Company is not exposed to significant price risk as it does not hold significant investments in publicly traded securities. The Company's price risk is limited to the value of its marketable securities.

16. LEGAL MATTER

The Company filed litigation against the Company's former CFO in an attempt to recover penalties and interest costs, which resulted from the former CFO's failure to submit payroll withholding taxes to the Internal Revenue Service ("IRS") for an approximate 18-month period during 2017-2018. Pursuant to a payment plan negotiated with the IRS, the Company previously paid \$175,000 to the IRS towards satisfaction of those liabilities. On September 28, 2020, the Company submitted an Offer-in-Compromise to the IRS regarding this matter. The IRS initially denied the Company's request, which was upheld by the IRS Independent Office of Appeals. The Company then sent the IRS a formal request to waive the penalties and interest, which was recently denied by the IRS. The Company is preparing its appeal.

As the result of a settlement conference conducted by a judge in August 2021, the Company and its former CFO reached a settlement. As of May 31, 2022, the settlement proceeds of \$40,000 cash and 2,950,000 shares of stock of the Company valued at \$147,500 were held in escrow for payment to the IRS and are recorded by the Company as restricted assets totaling \$187,500. In October 2022, the escrow agent (attorney) sent \$40,000 of restricted cash to the US Treasury Department, Internal Revenue Service, towards payment of payroll withholdings taxes due for the quarter ended September 30, 2017. For the periods of time mentioned above, included in accrued liabilities is a payroll tax liability of \$299,895 as February 28, 2023.

CERTIVE SOLUTIONS INC.

Notes to condensed consolidated interim financial statements

As at and for the nine-months ended February 28, 2023

(Unaudited - Expressed in U.S. Dollars)

17. SUBSEQUENT EVENTS

- (a) The Company raised funds to provide working capital subsequent to February 28, 2023 as follows:
 - i) Two Officers and Directors of the Company advanced funds and/or directly paid expenses of the Company totaling \$72,350, which is included in accounts payable; and
 - ii) The Company received \$100,000 intended for the Company's current Offering (Note 11a).
- (b) On April 26, 2023, the Company held its Annual General and Special Meeting of its Shareholders whereby nearly 57% of the Company's outstanding shares were voted. The Company presented its Audited Consolidated Financial Statements as at and for the years ended May 31, 2022 and 2021. In addition, the Company's shareholders set the Board at five Directors re-electing Marreel, Hyland, Thomas, Schweitzer and Wareham. The Company's shareholders approved Davidson & Company LLP as the Company's new independent accountants. Also, the Company's shareholders ratified the Company's Stock Option Plan.
- (c) On May 1, 2023, the Company's Board met and re-elected Tom Marreel as the Company's Chair and CEO, Tim Hyland CFO and Treasurer, Scott Thomas Senior VP – Investor Relations and Mike Miller, Corporate Secretary and Chief Legal Officer of the Company. Jeff Wareham was re-elected Chair of the Company's Audit Committee and Sheila Schweitzer was elected Chair of the Company's Governance, Compensation and Nominations Committee.
- (d) On May 1, 2023, the Company's Board granted 200,000 stock options to the Company's independent Directors, which vest in 1-year, and are exercisable at CDN\$0.05/share and expire in 10-years.