

**1014379 B.C. Ltd.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**For the three-months periods ended March 31, 2021 and 2020**

**Unaudited – prepared by Management**

**(Expressed in Canadian Dollars)**

**1014379 B.C. Ltd.**Condensed Interim Statements of Financial Position  
(Unaudited - Expressed in Canadian dollars)

<b>As at,</b>	<b>Notes</b>	<b>March 31,</b>		<b>December 31,</b>	
		<b>2021</b>		<b>2020</b>	
<b>Assets</b>					
<b>Current Assets</b>					
Cash		\$	575,088	\$	352,167
Prepaid expenses			1,475		-
Loan receivable	3		356,287		255,556
<b>Total Assets</b>		<b>\$</b>	<b>932,850</b>	<b>\$</b>	<b>607,723</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts payable and accrued liabilities	4,6	\$	101,586	\$	106,204
Loan payable	6	\$	16,433	\$	16,138
<b>Total Liabilities</b>			<b>118,019</b>		<b>122,342</b>
<b>Shareholders' Equity</b>					
Share capital	5		1,492,939		1,102,889
Subscriptions received in advance			-		39,550
Reserves			515,940		515,940
Deficit			(1,194,048)		(1,172,998)
<b>Total Shareholders' Equity</b>			<b>814,831</b>		<b>485,381</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>\$</b>	<b>932,850</b>	<b>\$</b>	<b>607,723</b>

Approved and authorized by the Board on May 28, 2021.

"Eugene Beukman" (signed)  
Eugene Beukman, Director

"Joel Dumaresq" (signed)  
Joel Dumaresq, Director

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

**1014379 B.C. Ltd.**

Statements of Loss and Comprehensive Loss

Three months periods ended March 31

(Unaudited - Expressed in Canadian dollars)

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	<b>Notes</b>	<b>2021</b>	<b>2020</b>
<b>Expenses</b>			
Corporate fees	6	\$ 9,765	\$ 8,850
Filing fees		-	4,489
Foreign exchange		439	-
Office expenses		101	77
Professional fees	6	10,450	14,664
<b>Total expenses for the period</b>		<b>\$ (20,755)</b>	<b>\$ (28,080)</b>
<b>Other items</b>			
Interest expense	6	295	-
<b>Net loss and comprehensive loss for the period</b>		<b>\$ (21,050)</b>	<b>\$ (28,080)</b>
<b>Loss per share – basic and diluted</b>		<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>Weighted average number of common shares outstanding</b>		<b>21,316,321</b>	<b>13,946,023</b>

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

**1014379 B.C. Ltd.**

Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)

Three months periods ended March 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

	Share Capital					
	Number of Common Shares	Amount	Subscriptions received	Reserves	Deficit	Total
<b>Balance at December 31, 2019</b>	<b>13,946,023</b>	<b>\$ 439,768</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (503,445)</b>	<b>\$ (63,677)</b>
Net loss for the period	-	-	-	-	(28,080)	(28,080)
<b>Balance at March 31, 2020</b>	<b>13,946,023</b>	<b>\$ 439,768</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (531,525)</b>	<b>\$ (91,757)</b>
<b>Balance at December 31, 2020</b>	<b>20,362,864</b>	<b>\$ 1,102,889</b>	<b>\$ 39,550</b>	<b>\$ 515,940</b>	<b>\$ (1,172,998)</b>	<b>\$ 485,381</b>
Net loss for the period	-	-	-	-	(21,050)	(21,050)
Shares issued – Private placements	2,600,337	390,050	(39,550)	-	-	350,500
<b>Balance at March 31, 2021</b>	<b>22,963,201</b>	<b>\$ 1,492,939</b>	<b>\$ -</b>	<b>\$ 515,940</b>	<b>\$ (1,194,048)</b>	<b>\$ 814,831</b>

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

**1014379 B.C. Ltd.**

Condensed Interim Statements of Cash Flows

Three-months periods ended March 31,

(Unaudited - Expressed in Canadian dollars)

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	<b>2021</b>		<b>2020</b>
<b>Operating activities</b>			
Net loss for the period	\$ (21,050)	\$	(28,080)
Items not affecting cash:			
Interest accrued	295		-
Changes in non-cash working capital item:			
Prepaid expenses	(1,475)		-
Accounts payable and accrued liabilities	(4,618)		15,814
<b>Net cash (used in) provided by operating activities</b>	<b>\$ (26,848)</b>	<b>\$</b>	<b>(12,266)</b>
<b>Financing activities</b>			
Net proceeds from issuance of shares – private placement	350,500		-
Proceeds from loans	-		17,803
Short term loan advanced	(100,731)		-
<b>Net cash provided by financing activities</b>	<b>\$ 249,769</b>	<b>\$</b>	<b>17,803</b>
Change in cash	222,921		5,537
Cash, beginning of the period	352,167		298
<b>Cash, end of the period</b>	<b>\$ 575,088</b>	<b>\$</b>	<b>5,835</b>
<b>Other supplementary information:</b>			
Interest accrued	\$ 295	\$	-

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

## 1014379 B.C. Ltd.

Notes to the Condensed Interim Financial Statements  
For the three-months periods ended March 31, 2021 and 2020  
(Unaudited - Expressed in Canadian dollars)

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### 1. Nature and continuance of operations

1014379 B.C. Ltd. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on September 23, 2014. The principal business of the Company is to identify, evaluate and then acquire an interest in a business or assets (note 9).

The Company’s principal address, records office and registered address are located at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company’s continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses. The Company is in the development stage and currently has no sources of cash from operations. Further funds will be required to successfully develop the Company’s business and there is no certainty that these funds will be available. As at March 31, 2021, the Company has working capital of \$814,831 (December 31, 2020 – \$485,381) and for the three months period ended March 31, 2021, the Company incurred a net loss of \$21,050 (2020 - \$28,080). A different basis of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company’s continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations and ultimately achieve profitable operations. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2021.

### 2. Statement of compliance and significant accounting policies

These unaudited condensed interim financial statements were authorized for issue on May 28, 2021 by the directors of the Company.

#### Statement of compliance

These unaudited interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee.

These unaudited interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these financial statements be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2020.

## **1014379 B.C. Ltd.**

Notes to the Condensed Interim Financial Statements

For the three-months periods ended March 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

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### **2. Statement of compliance and significant accounting policies (cont'd)**

#### **Statement of compliance (cont'd)**

These financial statements have been prepared on a historical cost basis, except for certain financial instruments. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The significant accounting policies have been applied consistently to all periods presented and are consistent with the accounting policies described in the annual financial statements for the year ended December 31, 2020.

#### **Basis of presentation**

The condensed interim financial statements are presented in Canadian dollars, unless otherwise noted, which is the Company's functional currency.

#### **Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments and estimates in applying the Company's financial statements include:

##### **Going concern**

The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty involves significant judgement based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances.

##### **Stock-based compensation**

The fair value of stock-based compensation requires estimates of assumptions that are used in the black-scholes option pricing model.

#### **Comparative figures**

Certain comparative figures have been reclassified to conform to current year's presentation. Such reclassification is for presentation purpose only and has no effect on previously reported results.

#### **New standards adopted**

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

### **3. Loan receivable**

During the year ended December 31, 2020, the Company provided a loan of \$255,556 (USD \$200,000) (2019 - \$Nil) to Captios, LLC (Note 10). During the three months period ended March 31, 2021, the Company increased the loan with \$77,631 (USD \$60,000) and paid expenses of \$23,100 increasing the loan to \$356,287. The loan is unsecured, with no set terms of repayment and interest free.

## 1014379 B.C. Ltd.

Notes to the Condensed Interim Financial Statements  
For the three-months periods ended March 31, 2021 and 2020  
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### 4. Accounts payable and accrued liabilities

	March 31, 2021	December 31, 2020
Accounts payable	\$ 96,586	\$ 102,204
Accrued liabilities	5,000	4,000
	<b>\$ 101,586</b>	<b>\$ 106,204</b>

Included in accounts payable are amounts totaling \$94,621 (2020 - \$94,306) due to related parties including a previous director and companies controlled by a previous director of the Company. (Note 6).

### 5. Share Capital

Authorized share capital

Unlimited number of common shares without par value

Unlimited number of preferred shares without par value

Shares issued during the three months period ended March 31, 2021:

On February 26, 2021, the Company completed a non-brokered private placement of 2,600,337 common shares at a price of \$0.15 per share, for gross proceeds of \$390,050. No finder's fees were paid in connection with the private placement. The Company received subscriptions in advance of \$39,550 prior to December 31, 2020.

Shares issued during the year ending December 31, 2020:

On September 3, 2020, the Company completed a non-brokered private placement consisting of 4,090,506 common shares at \$0.15 per share, for gross proceeds of \$613,576. In connection with the private placement, the Company issued 286,335 finder's fee common shares, to arm's-length finders, with a fair value of \$42,950.

On May 8, 2020, the Company completed a non-brokered private placement consisting of 2,040,000 common shares at \$0.025 per share, for gross proceeds of \$51,000. In connection with the private placement, the Company paid a cash finder's fee of \$1,455.

#### b) Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the requirements of the Exchange, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 20% of the issued and outstanding common shares of the Company. Such options will be exercisable for a period of up to ten years from the date of grant.

On December 1, 2020, the Company granted incentive stock options to consultants to purchase an aggregate of 4,000,000 common shares at an exercise price of \$0.05 per common share for up to five years. The options vested upon grant. The grant date fair value of the options was measured at \$515,940. The options were measured using the Black-Scholes Option Pricing Model with the following assumptions: Stock price - \$0.15; exercise price - \$0.05; expected life - 5 years; volatility - 100%; dividend yield - \$0; and risk-free rate - 0.46%.



## 1014379 B.C. Ltd.

Notes to the Condensed Interim Financial Statements  
For the three-months periods ended March 31, 2021 and 2020  
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### 5. Share Capital (Cont'd)

#### b) Stock options

The following is a summary of the Company's option activity for the year ended December 31, 2020 and for the three months period ended March 31, 2020.

	<b>Number of Options</b>
Outstanding, December 31, 2019	-
Issued	4,000,000
Outstanding, December 31, 2020	4,000,000
Issued	-
Outstanding, March 31, 2021	4,000,000

Details of options outstanding as at March 31, 2021 are as follows:

<b>Exercise price</b>	<b>Number of Options outstanding</b>	<b>Expiry date</b>
\$0.05	4,000,000	December 01, 2025
Total	4,000,000	

The weighted average remaining contractual life of the options outstanding at December 31, 2020 is 4.67 years (December 31, 2020 – 4.92).

#### c) Reserve

The share-based payment reserves record items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

### 6. Related party transactions

The Company considers its related parties to comprise directors, officers, companies controlled by directors and officers and companies with common directors. The key management compensation and fees consist of the following for the three months periods ended March 31, 2021 and 2020:

	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Accounting, corporate and interest charged by a company controlled by a director	\$ 19,510	\$ 16,350
	<b>\$ 19,510</b>	<b>\$ 16,350</b>

Included in professional and corporate fees are \$9,765 fees charged for corporate services and \$9,450 for accounting services by a company controlled by a director of the Company.

During the year ended December 31, 2020, the Company obtained a loan of \$15,000 from a company controlled by a director of the Company to cover ongoing operational expenses. The loan is unsecured, bearing interest at 8% per annum and is due on demand. During the three months period ended March 31, 2021, the Company accrued interest of \$295 (year ended December 31, 2020 - \$1,138). The balance owing at March 31, 2021 amounts to \$16,433 (December 31, 2020 - \$16,138).

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Notes to the Condensed Interim Financial Statements  
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### 6. Related party transactions (continued)

As at March 31, 2021, there was \$13,288 (December 31, 2020 - \$13,288) included in accounts payable and accrued liabilities owing to a former officer and director and companies controlled by the former director. The balances are unsecured, payable on demand and non-interest bearing.

As at March 31, 2021, there was \$81,333 (December 31, 2020 - \$81,018) included in accounts payable and accrued liabilities owing to a company controlled by a director of the Company. The balances are unsecured, payable on demand and non-interest bearing.

### 7. Risk management and financial instruments

The Company classifies its financial instruments as follows:

- Cash is classified as a financial asset at FVTPL;
- Loan receivable at amortized cost; and
- Accounts payable and accrued liabilities at amortized cost.

The carrying value of these financial instruments approximates their fair value due to their short-term nature.

The Company's risk exposure and the impact on the Company's financial instruments is summarized below:

#### 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 and arises principally from the Company's cash. The Company limits exposure to credit risk through maintaining its cash with high-credit quality Canadian financial institutions. The Company is not exposed to significant credit risk. The carrying amount of financial assets represents the maximum credit exposure.

#### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company has funds of \$575,088 (December 31, 2020 - \$352,167) to satisfy its financial obligations of \$118,019 (December 31, 2020 - \$122,342). The Company will be required to raise additional financing to be able and to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses.

#### 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 not exposed to foreign exchange risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2021, the Company did not have any financial instruments subject to interest rate risk.

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Notes to the Condensed Interim Financial Statements  
For the three-months periods ended March 31, 2021 and 2020  
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### 7. Risk management and financial instruments (cont'd)

#### Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of shareholders' deficiency. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

The Company is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavors and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of capital stock. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid. There were no changes in the Company's capital risk management approach during the three months period ended March 31, 2021.

### 8. Segmented information

The Company is currently identifying new business opportunities. All of its assets are located in Canada.

### 9. Proposed transaction

On June 21, 2020, the Company entered into a share exchange agreement with Captios LLC. ("Captios") (the "Share Exchange Agreement"). Pursuant to the Share Exchange Agreement, the Company will acquire 100% of the issued ordinary shares of Captios (the "Acquisition"). As consideration for the acquisition of all of the issued and outstanding ordinary shares of Captios, the Company has agreed to issue to the members of Captios an aggregate of 20,100,000 common shares. The Acquisition is subject to regulatory approvals and customary closing procedures.

### 10. Subsequent events

On April 21, 2021, the Company completed a non-brokered private placement of 10,460,000 units at a price of \$0.25 per unit, for gross proceeds of \$2,615,000. Each unit consists of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder thereof to purchase one additional common share a price of \$0.75 per common share for a period of two years. In connection with the private placement, the Company paid finder's fees consisting of \$116,100 cash commission, 332,400 warrants (the "Brokers Warrants") and 190,400 shares to arm's-length finders. Each Brokers Warrant is exercisable into one common share at a price of \$0.75 per common share for a period of two years.