A copy of this preliminary prospectus has been filed with the securities regulatory authority in Ontario but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This preliminary prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities. This non-offering preliminary prospectus does not constitute a public offering of securities.

NON-OFFERING PRELIMINARY PROSPECTUS

Non-Offering
Preliminary Prospectus

November 27, 2020

10557536 CANADA CORP.

No securities are being offered pursuant to this Prospectus

This non-offering preliminary prospectus (the "**Prospectus**") is being filed with the Ontario Securities Commission (the "**OSC**") for the purpose of allowing 10557536 Canada Corp. (the "**Issuer**") to comply with Policy 2 – *Qualifications for Listing* of the Canadian Securities Exchange (the "**CSE**") in order for the Company to meet one of the eligibility requirements for the listing of its common shares (the "**Issuer Shares**") on the CSE. As no securities are being sold pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company (as defined herein) from its general funds.

The Issuer intends to apply for a listing (the "**Listing**") of the Issuer Shares on the CSE, but as of the date of this Prospectus the Issuer has not applied for or received conditional approval from the CSE for such a Listing. Listing is subject to the Issuer fulfilling all of the listing requirements of the CSE including meeting all minimum listing requirements. As at the date of this Prospectus, neither the Issuer nor Xigem Technologies Corporation (the "**Company**") has any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

There is no market through which the securities of the Issuer may be sold. This may affect the pricing of the Issuer's securities in the secondary markets; the transparency and availability of trading prices; the liquidity of Issuer's securities; and the extent of issuer regulation. See "Part IV – Risk Factors".

No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence investigations in respect of the contents of this Prospectus.

An investment in the securities of the Issuer and the Resulting Issuer (as defined herein) is speculative due to various factors. The Issuer does not have an active business. The Issuer must close the Transaction (as defined herein) with the Company such that the shareholders of the Company become shareholders of the Issuer and the business of the Company becomes the business of the Issuer. The closing of the Transaction is subject to a number of conditions, including the Issuer receiving conditional Listing approval from the CSE. The risk factors included in this prospectus should be reviewed carefully and evaluated by prospective purchasers of securities. See "Risk Factors" and "Forward-Looking Information".

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Unless otherwise noted, all currency amounts in this prospectus are stated in Canadian dollars.

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ABOUT THIS PROSPECTUS

Neither the Issuer nor the Company is offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus and is not entitled to rely on parts of the information contained in this Prospectus to the exclusion of others. Neither the Issuer nor the Company has authorized anyone to provide investors with additional or different information. If anyone provides a prospective investor with additional, different or inconsistent information, including statements in the media about the Company, such information should not be relied on. The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus.

As used in this Prospectus, the terms “we”, “us” and “our”, mean the Issuer, or the Company, respectively, as the context requires, unless otherwise indicated.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains forward-looking information which reflects expectations of Management regarding the Issuer’s, Company’s and Resulting Issuer’s future growth, results of operations, performance and business prospects and opportunities. Often, but not necessarily always, words such as “will”, “should”, “additional”, “affect”, “anticipate”, “be required”, “believe”, “budget”, “contemplate”, “continue”, “could”, “does not expect”, “effect” “estimate”, “expect”, “intend”, “is expected”, “may”, “plan”, “planned”, “potential” , “target”, “predict”, “project”, “prospects”, “results”, “will exist” and similar expressions have been used to identify forward-looking information. This information reflects Management’s current beliefs and is based on information currently available to Management. Forward-looking information involves significant risks, uncertainties and assumptions. A number of factors could cause actual results to differ materially from the results discussed in forward-looking information, including those factors listed in the “Risk Factors” section of this Prospectus, such as the ability of the Company to obtain necessary financing, satisfy the requirements of the CSE with respect to the Listing, the economy generally, changes in government regulations, retain skilled management and staff, consumer interest in the services and products of the Company, competition, and anticipated and unanticipated costs. Such statements could also be materially affected by the impact of general imprecision of security related risks, operational risks, taxation policies, competition, the lack of available and qualified personnel or management, stock market volatility and the ability to access sufficient capital from internal or external sources. Actual results, performance or achievement could differ materially from those expressed herein. While the Company anticipates that subsequent events and developments may cause its views to change, the forward-looking statements are included to allow the reader to understand our current working capital position, and may not be appropriate for other purposes.

These forward-looking statements include, among other things, statements relating to:

- the Resulting Issuer’s intention to complete the listing of the Resulting Issuer Shares on the CSE and all transactions related thereto;
- the completion of the Transaction;
- the Resulting Issuer’s expectations regarding its revenue, expenses and operations;
- the Resulting Issuer’s anticipated cash needs and its needs for additional financing;
- the Resulting Issuer’s intention to grow its business and its operations;
- expectations with respect to the success of the development and marketing of the Platform (as defined herein);
- expectations with respect to future development and marketing costs;
- expectations with respect to the future growth and customization of the Platform;
- beliefs and intentions regarding the ownership of intellectual property used in connection with the design, production, marketing, distribution and sale of the Platform;
- the Resulting Issuer’s competitive position and the regulatory environment in which the Company operates;
- the Resulting Issuer’s expectation that revenues derived from its operations will be sufficient to cover its expenses during 2020 and over the next twelve months;
- the Resulting Issuer’s expected business objectives for the next twenty-four months;
- the Resulting Issuer’s ability to obtain additional funds; and
- the Resulting Issuer’s ability to obtain customer contracts and establish relationships.

There can be no assurance that forward-looking information in this Prospectus will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date of this Prospectus, and neither the Issuer nor the Company assumes no obligation to update or revise it to reflect new events or circumstances, unless otherwise required under Applicable Securities Laws.

NOTE REGARDING RISK FACTORS

An investment in the Issuer, the Company or the Resulting Issuer is speculative and involves a high degree of risk due to the nature of our business and the present stage of its development. The following risk factors, as well as risks currently unknown to us, could materially and adversely affect our future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Issuer, the Company and the Resulting Issuer, or our business or financial results, each of which could cause purchasers of our securities to lose part or all of their investment. The risks set out below are not the only risks we face; risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, results of operations and prospects. You should also refer to the other information set forth or incorporated by reference in this prospectus or any applicable prospectus supplement, including their financial statements, and the related notes, and the Company and Issuer's management's discussion and analysis. You should carefully consider the risk factors set out below along with the other matters set out or incorporated by reference in this prospectus. You should carefully review and evaluate the risk factors contained in this Prospectus and in the documents incorporated by reference herein before purchasing the Company Shares, Issuer Shares or Resulting Issuer Shares, see "Forward Looking Statements" and "Risk Factors".

An investment in the Resulting Issuer will be subject to certain material risks and investors should not invest in securities of the Resulting Issuer unless they can afford to lose their entire investment.

These material risks include, among other things, risks relating to:

- common to early-stage enterprises who are in the development stage;
- there is no assurance that the Resulting Issuer will turn a profit or generate revenue;
- uncertainty about the Resulting Issuer's ability to continue as a going concern;
- the requirements of being a public company may strain the Resulting Issuer's resources, divert management's attention and affect its ability to attract and retain executive management and qualified board members;
- the Resulting Issuer's ability to obtain customer contracts and establish relationships;
- the ability to acquire a significant market position in the provision of products and services in its target markets;
- the Resulting Issuer is subject to changes in Canadian laws, regulations and guidelines, which could adversely affect the Resulting Issuer's future business, financial condition and results of operations;
- there has been no prior public market for the Resulting Issuer Shares, and an active trading market may not develop;
- the market price for Resulting Issuer Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control;
- the Resulting Issuer may not be able to effectively manage its growth and operations, which could materially and adversely affect its business;
- the possibility that the Resulting Issuer may be unable to adequately protect its proprietary and intellectual property rights;
- the possibility that the Resulting Issuer may be forced to litigate to defend its intellectual property rights, or to defend against claims by third parties against the Resulting Issuer relating to intellectual property rights;
- the possibility that the Resulting Issuer may become subject to litigation, which may have a material adverse effect on the Resulting Issuer's reputation, business, results from operations and financial condition;

- the competition the Resulting Issuer faces from other companies where it will conduct business that may have a higher capitalization, more experienced management or may be more mature as a business;
- the fact that the Resulting Issuer will be reliant on information technology systems and may be subject to damaging cyberattacks;
- the possibility that the Resulting Issuer's officers and directors may be engaged in a range of business activities resulting in conflicts of interest;
- the adverse impact of COVID-19 on the Resulting Issuer's business; and
- the ability of the Resulting Issuer to safeguard against security and privacy breaches.

GENERAL DISCLOSURE INFORMATION

The Issuer is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus. Prospective investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of an investment in the Issuer Shares.

Currency and Certain Information

Unless otherwise indicated or the context otherwise requires, all dollar amounts contained in this Prospectus are in Canadian dollars $. Aggregated figures in graphs, charts and tables contained in this Prospectus may not add due to rounding. Historical statistical data and/or historical returns do not necessarily indicate future performance. Unless otherwise indicated, the market and industry data contained in this Prospectus is based upon information from industry and other publications and the knowledge of management and experience of the Company in the markets in which the Company operates. While Management believes this data is reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Neither the Issuer, the Company nor Management has independently verified any of the data from third-party sources referred to in this Prospectus or ascertained the underlying assumptions relied upon by such sources.

Words importing the singular number include the plural and *vice versa*, and words importing any gender or the neuter include both genders and the neuter.

MARKET AND INDUSTRY DATA

This Prospectus includes market and industry data that has been obtained from third party sources, including industry publications. The Issuer and the Company believe that the industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, Issuer and the Company have not independently verified any of the data from third party sources referred to in this Prospectus or ascertained the underlying economic assumptions relied upon by such sources.

Defined Terms

Please refer to the "Glossary of Terms" section in this Prospectus for a list of defined terms used herein.

GLOSSARY

In this Prospectus, the following terms shall have the meanings set forth below, unless otherwise indicated or the context otherwise requires:

"**affiliate**" has the meaning ascribed thereto under the Securities Act.

"**Amalco**" means the amalgamated corporation resulting and continuing from the Transaction.

"**Applicable Securities Law**" means applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders having the force of law, in force from time to time.

"**associate**" has the meaning ascribed thereto under the Securities Act.

"**Audit Committee**" means the proposed audit committee of the Board of Directors of the Resulting Issuer, to be comprised of Scott Wilson, Brian Kalish and Conor Bill.

"**BII**" means Bolingbroke Investments Inc.

"**Board**" or "**Board of Directors**" means the board of directors of the Issuer, the Company, or the Resulting Issuer, as applicable.

"**Business Combination Agreement**" means the business combination agreement between the Company and the Issuer dated November 17, 2020.

"**CBCA**" means the *Canada Business Corporations Act*, including the regulations promulgated thereunder, as amended.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**Closing**" means the completion of the Transaction in accordance with the terms and conditions of the Business Combination Agreement.

"**Closing Date**" means the date of Closing, which shall be the date that a certificate of amalgamation is issued by a director appointed under Section 278 of the OBCA to effect the Transaction in accordance with the Business Combination Agreement.

"**Company**" or "**Xigem**" means Xigem Technologies Corporation.

"**Company Lock-Up Agreements**" means, collectively, the iAgent Lock-Up Agreements and the Private Placement Lock-Up Agreements.

"**Company Shares**" means the common shares of the Company.

"**Company Warrant**" means a warrant purchase one (1) Company Share at a price of $0.035.

"**COVID-19**" means the 2019 novel coronavirus disease.

"**CSE Escrow Agreement**" means the escrow agreement to be entered into on the Closing Date, among the Resulting Issuer, the Escrow Agent and certain shareholders, pursuant to which 4,337,295 Resulting Issuer Shares will be held in escrow.

"**CSE Escrow Shares**" means the Resulting Issuer Shares that will be held in escrow pursuant to the CSE Escrow Agreement.

"**CSE**" means the Canadian Securities Exchange.

"**CTO**" means Chief Technology Officer.

"**Debt Settlement"** has the meaning ascribed thereto under "Summary of the Prospectus - Conditions Precedent to the Completion of the Transaction".

"**Development Agreement**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**Escrow Agent**" means Capital Transfer Agency ULC.

"**FB LOI**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**Final Prospectus**" means the (final) non-offering prospectus of the Issuer, prepared in accordance with NI 41-101, relating to the Transaction.

"**First Preferred Shares**" means first preferred shares in the capital of the Issuer.

"**Flu Buster"** means Flu Busters Inc.

"**Gemoscan**" means Gemoscan Canada Inc.

"**GCS**" means Grove Corporate Services Limited.

"**HIPAA**" means the United States *Health Insurance Portability and Accountability Act*.

"**iAgent**" means 2781705 Ontario Inc.

"**iAgent Application**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**iAgent Lockup Agreements**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**iAgent Units**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**Initial PP Lock-Up Agreements**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**IP License Agreement**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**IS**" means Insurance Supermarket Inc., a corporation formed under the federal laws of Canada.

"**IS USA**" means Insurance Supermarket Inc, a corporation formed under the laws of Delaware.

"**IS LOI**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**Issuer**" means 10557404 Canada Corp.

"**Issuer Lock-Up Agreements**" has the meaning ascribed thereto under "Part III – Information Concerning the Resulting Issuer - Escrowed Securities and Securities Subject to Contractual Restriction on Transfer".

"**Issuer Options**" mean options to acquire Issuer Shares.

"**Issuer Shares**" means common shares in the capital of the Issuer.

"**Issuer Split**" means the proposed split of the Issuer Shares on the basis of 1.6453 Issuer Share for each one (1) issued and outstanding Issuer Share.

"**Issuer Warrants**" has the meaning ascribed thereto under "Part I – Information Concerning the Issuer – Description of the Securities".

"**Listing**" means the listing of the Resulting Issuer Shares on the CSE.

"**Listing Date**" means the date that the Resulting Issuer lists the Resulting Issuer Shares on the Canadian Securities Exchange.

"**Management**" means the management of the Issuer, the Company, or the Resulting Issuer, as the context requires.

"**MD&A**" means Management's Discussion and Analysis of Financial Conditions and Results of Operations.

"**MWC**" means My Wine Canada Inc.

"**My Wine LOI**" means the LOI between the Issuer and MWC.

"**Name Change**" means the change of the Issuer's name to "Xigem Technologies Corporation" or such other name as the Company may determine.

"**Named Executive Officer**" or "**NEO**" means

(a) each individual who, in respect of the corporation, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO;

(b) each individual who, in respect of the corporation, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a CFO;

(c) in respect of the corporation and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year;

(d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the corporation, and was not acting in a similar capacity, at the end of that financial year;

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*, of the Canadian Securities Administrators.

"**NP 46-201**" means National Policy 46-201– *Escrow for Initial Public Offerings*¸ of the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators.

"**NI 58-101**" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*¸ of the Canadian Securities Administrators.

"**OBCA**" means the *Business Corporations Act* (Ontario), including the regulations promulgated thereunder, as amended.

"**OSC**" means the Ontario Securities Commission.

"**Patents**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**person**", unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**PHIPA**" means the *Personal Health Information Protection Act* (Ontario).

"**Platform**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**Preferred Shares**" means first preference shares in the capital of the Company.

"**Principal Regulator**" means the OSC.

"**Private Placement**" means the private placement of 86,000,000 Units of the Company for gross proceeds of $2,150,000.

"**Private Placement Lock-Up Agreements**" has the meaning ascribed thereto under "Part II – Information Concerning the Company – General Development of the Business".

"**Promoter**" has the meaning ascribed thereto under the Securities Act.

"**Prospectus**" means this means this (preliminary) non-offering prospectus of the Issuer, prepared in accordance with NI 41-101.

"**Resulting Issuer**" means the Issuer following Closing.

"**Resulting Issuer Options**" means options to acquire the Resulting Issuer Shares granted under the Stock Option Plan.

"**Resulting Issuer Shares**" means common shares in the capital of the Resulting Issuer.

"**Securities Act**" means the *Securities Act* (Ontario).

“**securities regulatory authority**” means the securities commission, or similar regulatory authority, for each respective provincial and territorial jurisdiction of Canada.

“**Stock Option Plan**” means the incentive stock option plan of the Resulting Issuer.

“Subco” means 2792189 Ontario Inc.

“**Telferscot**” means Telferscot Resources Inc.

“**Transaction**” means the amalgamation of the Company and Subco by way of a “three-cornered amalgamation” with the Issuer under the provisions of Section 174 of the OBCA and pursuant to the terms of the Business Combination Agreement.

“**TSX**” means the Toronto Stock Exchange.

“**TSXV**” means the TSX Venture Exchange.

“**Unit**” has the meaning ascribed thereto under “Part II – Information Concerning the Company – General Development of the Business”.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of this Prospectus and should be read together with the more detailed information and financial data and financial statements contained elsewhere in this Prospectus. Certain terms used in this Prospectus are defined in the Glossary of Terms.

GENERAL

10557536 Canada Corp.

The Issuer was incorporated under the CBCA under the name 10557536 Canada Corp. on December 27, 2017.

The address of the registered office and the head office of the Issuer is 401 Bay Street, Suite 2100, Toronto, Ontario M5H 2Y4.

On February 16, 2018 the Issuer entered into an arrangement agreement with Telferscot and other subsidiaries of Telferscot. On March 19, 2018 the Issuer filed articles of amendment to effect a change in its share capital. On April 9, 2018, pursuant to the arrangement agreement, the plan of arrangement was completed, and the Issuer became a reporting issuer in the provinces of British Columbia, Alberta and Manitoba.

The Issuer does not have any subsidiaries other than Subco.

Subco was incorporated pursuant to the OBCA under the name "2792189 Ontario Inc." on November 13, 2020. The address of the registered office and the head office of Subco is 401 Bay Street, Suite 2100, Toronto, Ontario M5H 2Y4.

The Issuer has not conducted any material business operations since incorporation other than entering into the Business Combination Agreement and the My Wine LOI.

Xigem Technologies Corporation

The Company was incorporated under the OBCA under the name "Xigem Technologies Corporation" on June 15, 2020.

The principal business carried on by the Company since incorporation is the development of a comprehensive cloud-computing solution for remote business operations, which will give increased safety and access to remote virtual work environments. The Company has recently signed a licensing agreement where it is the sole exclusive licensee of a proven Canadian patent pending and U.S. patented (USPTO 9,756,492, 10,149,127, 10,149,128 and 10,405,151) technology to serve as its platform.

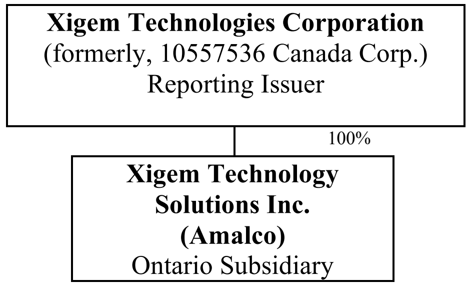
The Company is not presently a reporting issuer in any jurisdiction. The registered office and the head office of the Company is 22 Adelaide Street West, Bay Adelaide Centre - East Tower, Suite 3600, Toronto, Ontario, Canada M5H 4E3

The Transaction

On November 17, 2020, the Issuer and the Company entered into the Business Combination Agreement in respect of the proposed Transaction. The Transaction involves one stage whereby Subco and the Company will amalgamate to form Amalco as the wholly owned subsidiary of the Resulting Issuer. In doing so, Issuer will issue one half of one (0.5) Resulting Issuer Share (post-Issuer Split) for each one (1) Company Share then issued and outstanding. Consequently, the Resulting Issuer will own 100% of Amalco and shareholders of the Company will become shareholders of the Resulting Issuer.

The Issuer intends to apply for a listing on the CSE upon obtaining a receipt for this Prospectus.

The following diagram summarizes the structure of the entities after completion of the proposed Transaction:



Conditions Precedent to the Completion of the Transaction

The Transaction is subject to the customary conditions precedent to be set out in the Business Combination Agreement including but not limited to:

1. the shareholders of the Company shall have approved the Transaction;

2. the shareholders of the Issuer shall have approved the Transaction, Issuer Split and Name Change;

3. the completion of the Issuer Split;

4. 105 shall have liabilities of not more than $100,000 immediately prior to the closing of the Transaction, 50% of which will be converted into Issuer Shares (post-Issuer Split) prior to the closing of the Transaction, on the basis of a deemed price of $0.04 per Issuer Share (post-Issuer Split), and 50% of which will be paid in cash on the Closing Date (the "**Debt Settlement**");

5. the Issuer Lock-Up Agreements shall have been entered into;

6. the Company Lock-Up Agreements shall have been entered into;

7. conditional approval of the CSE for the Listing of the Resulting Issuer Shares on the facilities of the CSE;

8. receipt of executed resignations and releases (in form satisfactory to the Company, acting reasonably) from the current directors and officers of the Issuer, other than Stephen Coates;

9. the board of directors of the Resulting Issuer immediately after Closing shall consist of four (4) directors and it is anticipated they will be: Brian Kalish, Stephen Coates, Scott Wilson and Conor Bill; and

10. completion of the Transaction shall have occurred on or before February 21, 2021, or such later date as may be agreed in writing between the Issuer and Company.

The Resulting Issuer's Board and Management Following Completion of the Transaction

Directors

It is anticipated that the directors of the Resulting Issuer will be:

Brian Kalish
Scott Wilson
Stephen Coates
Conor Bill

It is anticipated that the Board of the Resulting Issuer will have two non-independent directors, being Brian Kalish and Stephen Coates and two independent directors, being Scott Wilson and Conor Bill.

Officers

It is anticipated that the officers of the Resulting Issuer will be:

Brian Kalish – CEO and Corporate Secretary
Igor Kostioutchenko – CFO
Anton Tikhomirov – CTO

FUNDS AVAILABLE AND USE OF AVAILABLE FUNDS

Upon completion of the Transaction, it is anticipated the Resulting Issuer will have working capital of approximately $2,138,323. The principal purposes for the use of those funds will be as follows:

Funds Available	**Amount ($)**
Working capital of Issuer as at September 30, 2020	(96,001)
Working capital of Company as at October 31, 2020	2,299,517
Transaction costs	(65,193)
Net proceeds from Transaction	**2,138,323**

The table set forth below contains a detailed break-down of the proposal principal uses for the estimated funds available over the next twelve months:

Proposed use of funds	**Amount ($)**
Salaries and benefits	866,000
Development of the Platform	350,000
Advertising and promotion	102,000
Professional fees	75,000
Rent expense	60,000
General and administrative	60,000
Royalty charges	35,000
Payment of Issuer liabilities	50,000
Other expenses	24,000
Unallocated working capital	516,323
Total funds available	**2,138,323**

SUMMARY OF FINANCIAL INFORMATION

The following selected financial information is subject to the detailed information contained in the financial statements of the Issuer, the Company and the proforma consolidated financial statements of the Resulting Issuer and notes thereto appearing elsewhere in the Prospectus. The selected financial information is derived from and should be read in conjunction with the audited financial statements of the Company from the date of incorporation, on June 15, 2020 to October 31, 2020, the Issuer's audited annual financial statements for the years ended December 31, 2019 and 2018, the Issuer's unaudited interim financial statements for the period ended September 30, 2020 and the proforma consolidated financial statements of the Resulting Issuer as of October 31, 2020 along with the Management Discussion and Analysis included in this Prospectus.

As at September 30, 2020 and October 31, 2020	Issuer $	Company $	Pro Forma Adjustments $	ProForma $
Balance Sheet				
Current assets	2,947	2,396,282	–	2,399,299
Total assets	2,948	3,017,515	(1)	3,020,462
Current liabilities	98,948	96,765	(86,531)	109,182
Total liabilities	98,948	102,573	–	114,990
Shareholders' Equity (deficiency)	(96,000)	2,914,942	86,530	2,905,472

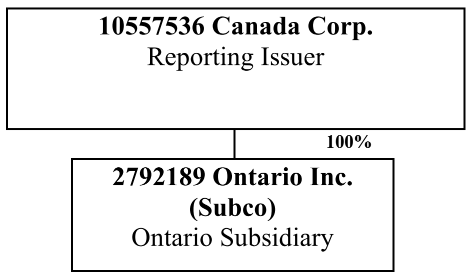
PART I – INFORMATION CONCERNING THE ISSUER

NAME, ADDRESS AND INCORPORATION

The Issuer was incorporated pursuant to the CBCA under the name 10557536 Canada Corp. on December 27, 2017. The address of the registered office and the head office of the Issuer is 401 Bay Street, Suite 2100, Toronto, Ontario M5H 2Y4.

On February 16, 2018 the Issuer entered into the arrangement agreement with Telferscot and other subsidiaries of Telferscot. On March 18, 2018 the Issuer filed articles of amendment to effect in its share capital. The amendment replaced the existing share capital of the Issuer with the Issuer Shares and First Preferred Shares. On April 9, 2018 the plan of arrangement was completed, and the Issuer became a reporting issuer in the provinces of British Columbia, Alberta and Manitoba.

The Issuer does not have any subsidiaries other than Subco, as shown in the diagram below:



Subco was incorporated pursuant to the OBCA under the name “2792189 Ontario Inc.**”** on November 13, 2020. The address of the registered office and the head office of the Issuer is 401 Bay Street, Suite 2100, Toronto, Ontario M5H 2Y4.

DESCRIPTION OF THE BUSINESS OF THE ISSUER

The Issuer has not conducted any material business operations since incorporation, other than the Business Combination Agreement and the My Wine LOI (as defined below).

On March 26, 2018, the Issuer acquired the rights to a letter of intent (the “**My Wine LOI**”) with MWC from Telferscot in exchange for 2,499,996 Issuer Shares. The My Wine LOI contemplated MWC developing a consumer facing web portal for online sales of Canadian wines and spirits direct from Canadian producers to Canadian consumers.

On October 9, 2018 the Issuer agreed to provide up to $75,000 in funding to MWC to be made available in stages. Pursuant to this agreement, the Issuer advanced $50,676 to MWC towards the development of the portal. On September 22, 2020 the Issuer informed MWC that it was withdrawing from the My Wine LOI and would not be advancing any further funding. The Issuer has agreed to forgive this loan.

INTELLECTUAL PROPERTY

The Issuer does not have any intellectual property.

DIVIDENDS AND DISTRIBUTION

The Issuer has neither declared nor paid any dividends on the Issuer Shares since its inception.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT’S DISCUSSION AND ANALYSIS

The following table sets forth selected financial information for the Issuer, summarized from its audited financial statements for the year ended December 31, 2019 and its interim financial statements for the nine-month period ended September 30, 2020. This selected financial information should be read in conjunction with the Issuer's financial statements, including the notes thereto, which are attached to this Prospectus as Appendices "A" and "B".

	As at / nine months ended September 30, 2020 $	As at / year ended December 31, 2019 (Audited) $
Total expense	31,418	80,413
Cash	915	317
Total assets	2,948	5,718
Shareholder's equity (deficiency)	(96,000)	(101,934)

MANAGEMENT'S DISCUSSION AND ANALYSIS

See Appendices " A1" and "B1" respectively for the Issuer's management's discussion and analysis for the year ended December 31, 2019 and for the interim nine-month period ended September 30, 2020.

Related Party Transactions

The Issuer is billed a monthly fee of $2,750 (plus applicable HST) by a company controlled by a director for management and administrative services, including the corporate secretary, the services of the CFO, office rent and regular administrative functions. In March this year, Grove Corporate Services Limited ("**GCS**") agreed to waive all management and accounting fees during the COVID-19 pandemic as of March 1, 2020 and for a maximum period of six months. During the three and nine months ended September 30, 2020, the Issuer incurred total fees of $nil and $5,500 respectively (2019 - $8,250 and $24,750).

On July 5, 2018, the Issuer granted 1,000,000 stock options to GCS exercisable at $0.05 per share for a period of up to 36 months from the issuance date of July 5, 2018. These Issuer Options will be cancelled prior to the completion of the Transaction.

In June 2018, the Issuer was provided a loan from Bolingbroke Investments Inc. ("**BII**"), a company controlled by a director and officer in the amount of $15,000. BII advanced further funds in July and September 2018 which amounted to $27,500 as at June 30, 2020. The loan is due on demand, unsecured and bears interest at 3% per annum with such amount included in the statements of net loss and comprehensive loss. On June 30, 2020, the Issuer issued BII 1,454,820 Issuer Shares at a deemed price of $0.02 (for a total amount of $29,096 towards the total loan amount).

On June 30, 2020, the Issuer issued GCS 268,438 Issuer Shares at a deemed price of $0.02 (for a total amount of $5,369) to pay accrued management fees. During the nine months ended September 30, 2020, accrued interest on the loan amounted to $411.

In November 2019, the Issuer was provided a loan from GCS in the amount of $1,500 to cover operational expenses. As at September 30, 2020, the loan has increased to $7,417. The loan is due on demand, unsecured and bears no interest.

As at September 30, 2020, accounts payable and accrued liabilities include $71,990 in respect of management fees and reimbursable regulatory expenses due to related parties.

Changes in Accounting Policies Including Initial Adoption

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Management evaluates the estimates periodically. Actual results may differ from these estimates by material amounts.

DESCRIPTION OF THE SECURITIES

Common Shares

The Issuer is authorized to issue an unlimited number of Issuer Shares, of which, as of the date Prospectus, 4,473,254 (pre-Issuer Split) Issuer Shares are issued and outstanding as fully paid and non-convertible. Holders of Issuer Shares are entitled to vote at meetings of shareholders, share equally in the remaining property of the Issuer upon liquidation, dissolution or winding up, subject to rights, privileges, restrictions and conditions attaching to other class of shares, and, subject to rights of First Preferred Shares, to receive dividends if, as and when declared by directions of the Issuer.

See Part I, "The Transaction" for details of securities proposed to be issued on closing of the Transaction. See also "Part III – Information Concerning the Resulting Issuer – Pro Forma Consolidated Financial Information", "Part III – Information Concerning the Resulting Issuer – Description of the Securities", "Part III – Information Concerning the Resulting Issuer – Options to Purchase Securities" and "Part III – Information Concerning the Resulting Issuer – Fully Diluted Share Capital".

First Preferred Shares

The Issuer is also authorized to issue an unlimited number of First Preferred Shares without par value, issuable in series with special rights and restrictions attached, none of which are issued and outstanding as of the date of this Prospectus and none of which are proposed to be issued in connection with either the Transaction.

Warrants

The Issuer has 125,000 warrants outstanding. They were issued on January 22, 2019 in conjunction with a non-brokered private placement offering of 250,000 units of the Issuer priced at $0.10 per unit for aggregate gross proceeds of $25,000. Each unit issued by the Issuer entitled the holder thereof to receive one Common Share of the Issuer and one-half Common Share purchase warrant. Each full warrant entitled the holder to purchase one Common Share of the Issuer at a price of $0.25 for 12 months from the date of closing. The warrants were later extended for another one-year period until January 22, 2021. In addition, on September 20, 2020 the Issuer agreed to issue 2,000,000 Issuer Warrants exercisable at $0.01 per Issuer Share for a period of up to 36 months to GCS (collectively the "**Issuer Warrants**"). These Issuer Warrants vested on the execution of the Business Combination Agreement.

Date of expiry	**Type**	**Number**	**Weighted average exercise price** $
January 22, 2021	Warrant	125,000	0.25
September 20, 2023	Warrant	2,000,000	0.01

OPTIONS TO PURCHASE SECURITIES

The Issuer has a stock option plan pursuant to which Issuer Options may be granted to executive officers, directors, employees and consultants. The plan allows for the issuance of up to 10% of the issued and outstanding common shares. The text of the Issuer's stock option plan is attached hereto as Appendix "F".

For further details see "Part III – Information Concerning the Resulting Issuer – Options to Purchase Securities".

The Issuer had issued 1,000,000 Issuer Options to contractors outside of its stock option plan. The Issuer Options carry an exercise price of $0.05 per Issuer Share for a period of up to 36 months from the issuance date of July 5, 2018. These Issuer Options will be cancelled prior to the completion of the Transaction.

As of the date of this Prospectus, the Issuer has granted Issuer Options as set out in the table below:

Holder	Number of Shares Under Option/Warrant	Exercise Price	Expiry Date	Vesting
Grove Corporate Services Ltd.	1,000,000	$0.05	July 5, 2021	0%

PRIOR SALES

Since the date of its incorporation, the Issuer has issued 4,473,254 Issuer Shares as follows:

Date	Number of Issuer Shares	Method of Sales	Price per Common Share
April 5, 2018	2,499,996	Granted to the shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot	$0.0000001
January 22, 2019	250,000	Non-brokered private placement	$0.10
June 30, 2020	1,723,258	Shares for debt	$0.02
Total	4,473,254		

ESCROW SECURITIES

In accordance with the policies of the CSE and the terms of the Business Combination Agreement, there are no Issuer Shares at the date of this Prospectus held in escrow. Following completion of the Transaction, 4,337,295 Resulting Issuer Shares are expected to be held in escrow. See "Part III – Information Concerning the Resulting Issuer – The CSE Escrow Shares" for further detail.

EXECUTIVE COMPENSATION

See "Part III – Information Concerning the Resulting Issuer – Executive Compensation" for details on the executive compensation paid by the Issuer.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Prospectus, no director, executive officer or employee of the Issuer or their respective associates or affiliates is or has been indebted to the Issuer at any time.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this Prospectus, within the last three years, no director, executive officer or person that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the outstanding voting securities of the Issuer or any associate or affiliate of the foregoing has, or has had, any material interest, direct or indirect, in any transaction prior to the date of this Prospectus or any proposed transaction that has materially affected, or is reasonably expected to materially affect, the Issuer or any of its affiliates.

LEGAL PROCEEDINGS

The Issuer is not a party to any legal proceedings, nor is it aware of any legal proceedings to which any of its property or assets is the subject matter, and it is not aware of any such proceedings known to be contemplated.

AUDITOR

The auditor of the Issuer is Clearhouse LLP of 527-2560 Matheson Blvd E, Mississauga ON L4W 4Y9. Upon Closing of the Transaction, it is proposed that the Resulting Issuer's auditor will be Clearhouse LLP. Clearhouse LLP is also the current auditor of the Company.

See also "Part V – Other Matters – Auditors, Transfer Agents and Registrars".

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Issuer Shares is Capital Transfer Agency, ULC, 390 Bay Street, Suite 920, Toronto Ontario M5H 2Y2. It is anticipated that Capital Transfer Agency ULC will continue as transfer agent and registrar of the Resulting Issuer upon Closing of the Transaction.

See also "Part V – Other Matters – Auditors, Transfer Agents and Registrars".

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, the Issuer has not entered into any contracts material to investors, other than the Business Combination Agreement with respect to the Transaction, and copies of this agreement may be inspected, without charge, at the registered office of the Issuer at 401 Bay Street, Suite 2100, Toronto, Ontario M5H 2Y4 during normal business hours until the date of Closing and for a period of 30 days thereafter.

PART II – INFORMATION CONCERNING THE COMPANY

NAME, ADDRESS, INCORPORATION

The Company was incorporated under the OBCA on June 15, 2020.

The registered office and head office of the Company is Suite 3600, 22 Adelaide Street West, Bay Adelaide Centre, East Tower, Toronto, Ontario, M5H 4E3.

GENERAL DEVELOPMENT OF THE BUSINESS

Introduction

Xigem is positioned to become a leading technology platform for the remote work economy. Using its proprietary platform premised on US patented and Canadian patent pending technology (the **"Platform"**) which it is the exclusive licensee of, the Company expects to provide organizations with the infrastructure necessary to manage employees and business operations in a remote working environment. The Company seeks to accomplish this by leveraging its Platform, which is capable of improving the capacity, productivity, and overall remote business operations for its customers. The Platform is based upon an application previously developed by iAgent (the "**iAgent Application**"). See "The iAgent Application" below for further details on the iAgent Application.

The Platform consists of a comprehensive cloud-computing solution for remote business operations, giving increased safety and access to remote virtual work environments. The Platform's focus is synchronizing business practice and management productivity, providing virtual, face-to-face interactions instantly anywhere in the world.

The Platform will generate revenue through a variety of platform-as-a-service models. The subscription plans offered to customers will vary depending on the level of service the customers opt into. Every contract will be tailored to the customer's needs dependent on the criteria best suited for their business. The Company anticipates significant platform usage supported by its highly targeted sales and marketing strategies.

History

On June 15, 2020, the Company was incorporated under the OBCA.

On June 15, 2020, the Company completed a non brokered private placement of 20,000,000 Company Shares at a price of $0.01 per Company Share, for gross proceeds of $200,000. The Company Shares are subject to a lock-up agreement, restricting transfer of the Company Shares for a period of nine months following the Closing Date (the "**Initial PP Lock-Up Agreements**"). The Units will be released based upon the following schedule:

Release Date	Percentage of Company Shares to be Released
Closing Date	15%
1 month following the Closing Date	10%
2 months following the Closing Date	10%
3 months following the Closing Date	10%
4 months following the Closing Date	10%
5 months following the Closing Date	10%
6 months following the Closing Date	10%
7 months following the Closing Date	10%
8 months following the Closing Date	10%
9 months following the Closing Date	5%

On October 20, 2020, the Company entered into a licensing agreement (the "**IP License Agreement**") and development agreement (the "**Development Agreement**") with iAgent.

The IP License Agreement grants Xigem an exclusive, worldwide and royalty bearing license which will enable Xigem to make use of and commercialize United States Patents: 9,756,492, 10,149,127, 10,149,128 and 10,405,151 and certain pending patent applications (the "**Patents**"), held by iAgent which enable a method of communicating with a number of active mobile devices, each associated with an active user. The method may include communicating with and receiving location data from those devices. In response to receiving a prompt from a user, a qualified active mobile device can be identified near the engagement location. The selected qualified active mobile device can correspond to the qualified user account with a response to their prompt. See "The iAgent Application" for further details on the development of the iAgent Application and "The Xigem Platform" for further details on how Xigem has and intends to utilize the iAgent Application.

Pursuant to the terms of the IP License Agreement, Xigem paid a license fee of $500,000 through the issuance of 25,000,000 Units at a deemed price of $0.02 (the "**iAgent Units**"), each iAgent Unit consisting of one Company Share and one-half of one Company Warrant, exercisable at a price of $0.035 and expiring on October 20, 2021. In addition to the initial license fee, Xigem must pay iAgent a royalty of ten percent (10%) of the gross selling price of any products sold by Xigem incorporating the Patents. The iAgent Units are subject to a lock-up agreement, restricting transfer of the iAgent Units for a period of nine months following the Closing Date (the "**iAgent Lock-Up Agreements**"). The iAgent Units will be released based upon the following schedule:

Release Date	**Percentage of iAgent Units to be Released**
Closing Date	15%
1 month following the Closing Date	10%
2 months following the Closing Date	10%
3 months following the Closing Date	10%
4 months following the Closing Date	10%
5 months following the Closing Date	10%
6 months following the Closing Date	10%
7 months following the Closing Date	10%
8 months following the Closing Date	10%
9 months following the Closing Date	5%

The IP License Agreement has a term of twenty five (25) years and shall automatically renew for successive one (1) year periods each unless either party gives written notice to the other party of termination at least sixty (60) days prior to the end of the then current term. Xigem may elect to terminate the agreement upon (i) a material breach of iAgent's representations or warranties made under the agreement, if such breach is not cured upon thirty (30) days notice, and to the extent that the applicable breach is continuing and is not of a nature that is capable of being cured within the said thirty (30) day period, Xigem may terminate upon iAgent ceasing to diligently pursue the cure of such breach; or (ii) upon iAgent committing an act of bankruptcy. iAgent may elect to terminate the agreement upon (i) a material breach of Xigem's representations or warranties made under the agreement, if such breach is not cured upon thirty (30) days notice, and to the extent that the applicable breach is continuing and is not of a nature that is capable of being cured within the said thirty (30) day period, iAgent may terminate upon Xigem ceasing to diligently pursue the cure of such breach; (ii) Xigem committing an act of bankruptcy; (iii) failure of Xigem to pay to iAgent any monies due under the agreement when due, upon at least thirty (30) business days' written notice to Xigem of such non-payment, to the extent that the applicable failure is continuing, on not less than five (5) business days' written notice to Xigem; or (iv) in the event that the Xigem and its affiliates fail to generate revenues of at least USD $5,000,000 through the sales of licensed products by the fifth (5th) anniversary of the IP License Agreement.

Xigem has entered into the Development Agreement with iAgent to design, develop, create, test, deliver, install, configure, integrate, customize, and otherwise provide and make fully operational the Platform. Pursuant to the terms of the Development Agreement, iAgent is required to maintain a dedicated team of personnel consisting of at least four (4) full-time software developers and one (1) supervisor, all of whom are employed by an affiliate of iAgent. iAgent is solely responsible for all of the personnel and for the payment of their compensation. Any work product produced by iAgent under the terms of the Development Agreement shall be owned by Xigem or assigned or transferred completely and exclusively to Xigem. Not later than ninety (90) calendar days prior to the date of the commercial launch of the Platform, iAgent and Xigem will enter into negotiations with a view to agreeing upon and entering into, not later than thirty (30) calendar days prior to the launch date of the Platform, an agreement setting forth the terms and conditions upon which (i) the iAgent will provide Xigem with the support services, and (ii) iAgent will establish and maintain a dedicated, permanent technical support team to support the commercialization of the Platform.

Xigem shall pay to the iAgent, upon the commencement of the development services, a monthly development fee in the amount of US$20,000, payable in advance. Xigem shall also pay monthly fees to iAgent in connection with the provision of any maintenance and support services, to be calculated on an hourly or other non-periodic basis.

On October 29, 2020, the Company completed a non-brokered private placement of an aggregate of 86,000,000 units ("**Units**") priced at $0.025 for gross proceeds of $2,150,000 (the "**Private Placement**"). Each Unit consisted of one (1) Company Share and one-half of a Company Share purchase warrant (a "**Company Warrant**"). Each whole Company Warrant entitles the holder thereof to purchase one (1) Common Share of the Company at a price of $0.035 per Company Share until October 29, 2021. The Units are subject to a lock-up agreement, restricting transfer of the Units for a period of nine months following the Closing Date (collectively with the Initial PP Lock-Up Agreements, the "**Private Placement Lock-Up Agreements**"). The Units will be released based upon the following schedule:

Release Date	**Percentage of Units to be Released**
Closing Date	15%
1 month following the Closing Date	10%
2 months following the Closing Date	10%
3 months following the Closing Date	10%
4 months following the Closing Date	10%
5 months following the Closing Date	10%
6 months following the Closing Date	10%
7 months following the Closing Date	10%
8 months following the Closing Date	10%
9 months following the Closing Date	5%

On October 30, 2020, the Company entered into a letter of intent with Flu Busters to develop and license a platform based upon the iAgent Application for Flu Buster's exclusive use in the Canada (the "**FB LOI**"). Upon successful proof of concept of the platform in accordance with Flu Buster's specifications, Flu Buster and the Company shall enter into a binding license and development agreement. Pursuant to the terms of the FB LOI, under the license agreement Flu Buster will pay the Company a monthly fee of $6,250 for the right to use the platform with up to 75 active users. Flu Buster shall pay an additional $10 per month for each user exceeding the 75-user cap. The FB LOI may be terminated upon mutual agreement or 60 days notice by either party.

On November 2, 2020, the Company entered into a letter of intent with IS USA to develop and license a platform based upon the iAgent Application for IS USA's exclusive use in the United States (the "**IS LOI**"). Upon successful proof of concept of the platform in accordance with IS USA's specifications, IS USA and the Company shall enter into a binding license and development agreement. Pursuant to the terms of the IS LOI, under the license agreement IS will pay the Company a monthly fee of $10,000 for the right to use the platform with up to 100 active users. IS USA shall pay an additional $10 per month for each user exceeding the 100-user cap. The IS LOI may be terminated upon mutual agreement or 60 days notice by either party. IS, an affiliate of IS USA, developed the iAgent Application and subsequently sold the technology to iAgent in 2020. See "The iAgent Application" below for further details.

On November 17, 2020, the Issuer and the Company entered into the Business Combination Agreement in respect of the proposed Transaction.

The Transaction

The Transaction involves one stage whereby Subco and the Company will amalgamate to form Amalco as the wholly owned subsidiary of the Resulting Issuer. In doing so, Issuer will issue one half of one (0.5) Resulting Issuer Share (post-Issuer Split) for each one (1) Company Share then issued and outstanding. Consequently, the Resulting Issuer will own 100% of Amalco and shareholders of the Company will become shareholders of the Resulting Issuer. In addition, each outstanding Company Warrant will be exchanged for one half of one (0.5) Issuer Warrant on the same terms as the existing Company Warrant.

The Issuer intends to apply for a listing on the CSE upon obtaining a receipt for this Prospectus.

The following diagram summarizes the structure of the entities after completion of the proposed Transaction:

Xigem Technologies Corporation
(formerly, 10557536 Canada Corp.)
Reporting Issuer

100%

Xigem Technology Solutions Inc.
(Amalco)
Ontario Subsidiary

The Transaction is subject to the customary conditions precedent to be set out in the Business Combination Agreement including but not limited to:

1. the shareholders of the Company shall have approved the Transaction;

2. the shareholders of the Issuer shall have approved the Transaction, Issuer Split and Name Change;

3. the completion of the Issuer Split;

4. 105 shall have liabilities of not more than $100,000 immediately prior to the closing of the Transaction, 50% of which will be converted into Issuer Shares (post-Issuer Split) prior to the closing of the Transaction, on the basis of a deemed price of $0.04 per Issuer Share (post-Issuer Split), and 50% of which will be paid in cash on the Closing Date (the "**Debt Settlement**");

5. the Issuer Lock-Up Agreements shall have been entered into;

6. the Company Lock-Up Agreements shall have been entered into;

7. conditional approval of the CSE for the Listing of the Resulting Issuer Shares on the facilities of the CSE;

8. receipt of executed resignations and releases (in form satisfactory to the Company, acting reasonably) from the current directors and officers of the Issuer, other than Stephen Coates;

9. the board of directors of the Resulting Issuer immediately after Closing shall consist of four (4) directors and it is anticipated they will be: Brian Kalish, Stephen Coates, Scott Wilson and Conor Bill; and

10. completion of the Transaction shall have occurred on or before February 21, 2021, or such later date as may be agreed in writing between the Issuer and Company.

The iAgent Application

The iAgent Application was initially conceived of by IS in late 2014. IS realized that there would be incredible value in having the ability to see where all of their insurance agents were currently located in relation to potential client's currently on the phone with their call center. Instead of having call agents book appointments with a prospective client multiple days in advance, they would be able to direct a nearby insurance agent to their home, reducing cancellations and no-shows that naturally occur when such appointments are booked.

In early 2015, IS had one of their existing developers work on an alpha version of an application that would allow them to track the locations of their agents and provide that information directly to their call center systems. There were many iterations of the iAgent Application during this period until a fully functional version was developed that could be put through a beta trial with field agents that they had working in the GTA area that currently had either Android or Apple mobile phones.

On August 18, 2015, IS invited approximately ten agents to their head office in Woodbridge, Ontario to demo the iAgent Application to them as well as manually assist them with installing it on their devices.

On August 19, 2015, IS was successfully able to deploy the iAgent Application on the Android play store. Later that same year the iAgent Application was accepted onto the Apple Enterprise Program and made available for download through Apple.

By October 13, 2015, IS had twenty agents using the iAgent Application.

In November 2015, IS started to complete webinars with insurance agents across the country on the iAgent Application.

On June 14, 2016, IS filed an application for patent US9756492B1. See "The Patents" below for further details on patent US9756492B1.

On September 5, 2017, patent US9756492B1 was granted to IS.

On September 28, 2017, the platform was officially launched via native Apple & Android apps with improved features, database improvements and bug fixes. At launch the iAgent Application had 1,053 advisors.

On July 17, 2017, IS filed an application for patent US10149127B2 and US10149128B2. See "The Patents" below for further details on patent US10149127B2 and US10149128B2.

On August 22, 2018, IS filed an application for patent US10405151B2. See "The Patents" below for further details on patent US10405151B2.

In 2018, IS developed and deployed a newer cleaner design of the iAgent Application that was more user friendly to their user base and ported the iAgent Application into Flutter, Google's UI toolkit for crafting beautiful, natively compiled applications for mobile, web, and desktop from a single codebase, to reduce overhead of managing native applications on multiple platforms

On December 4, 2018, IS was granted patent US10149127B2 and US10149128B2.

On September 3, 2019, IS was granted patent US10405151B2.

On October 6, 2020, IS sold the Patents to iAgent, a company controlled by the principals of IS, for $400,000.

The following table details the approximate expenditures made by IS to develop the iAgent Application:

Expense	**Amount**
Development Team Salaries	$1,663,000

Quality Assurance Team Salaries	$426,300
Executive Salaries	$435,000
Graphics Team Salaries	$215,000
Marketing	$1,516,912
Equipment	$85,462
Patent Legal Costs and Fees	$73,452.00
Total	**$4,415,126**

NARRATIVE DESCRIPTION OF THE BUSINESS

The Patents

The Patents underlying the iAgent Application describe a simultaneous messaging system and method for communicating an engagement to a plurality of active mobile devices, wherein each active mobile device is associated with an active user. The system may include providing at least one communication socket to each of the active mobile devices; receiving location data from those devices and receiving information related to the engagement. Each of the Patents secures a slightly varied version of the simultaneous messaging system and method, as described below.

Patent US10405151B2, US9756492B1 and US10149128B2

Patent US10405151B2, US9756492B1 and US10149128B2 - In response to determining the location of the engagement, a first notification is provided to nearby active mobile devices to determine the corresponding active user's availability. In response to confirming the engagement a second notification is sent to the nearby active mobile devices to confirm the corresponding active user's availability. An active user is selected among the confirmed available active users and a third notification is provided with the selection result.

This process is demonstrated below in Figures 8, 9 and 10 from US10405151B2, which can be accessed at https://patents.google.com/patent/US10405151B2/

Patent US10149128B2 can be accessed at the following link:
https://patents.google.com/patent/US10149128B2/

Patent US9756492B1 can be accessed at the following link:
https://patents.google.com/patent/US9756492

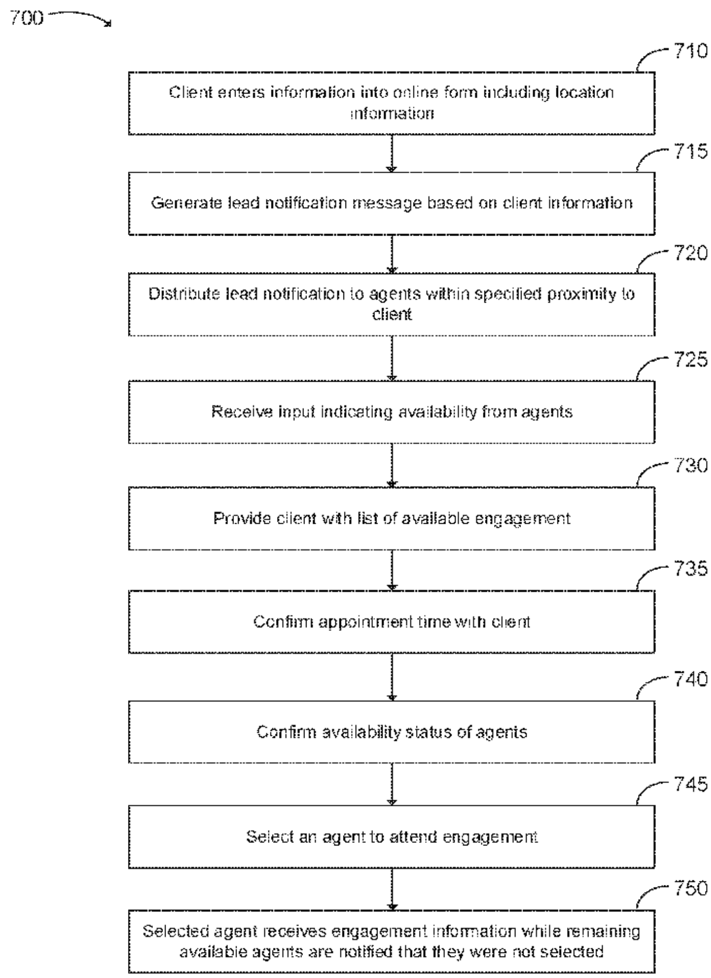

700
710
Client enters information into online form including location information
715
Generate lead notification message based on client information
720
Distribute lead notification to agents within specified proximity to client
725
Receive input indicating availability from agents
730
Provide client with list of available engagement
735
Confirm appointment time with client
740
Confirm availability status of agents
745
Select an agent to attend engagement
750
Selected agent receives engagement information while remaining available agents are notified that they were not selected

FIG. 8

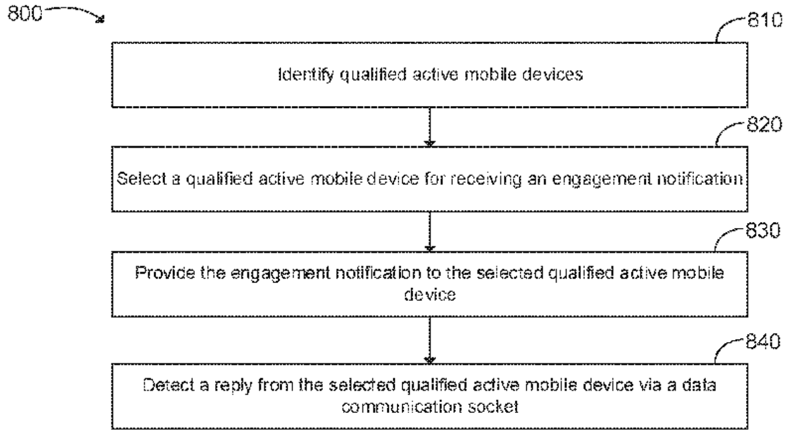


FIG. 9

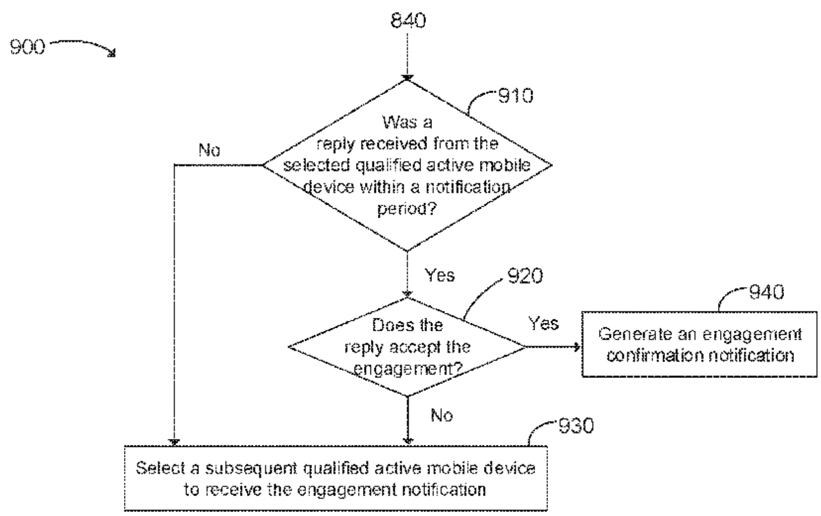


FIG. 10

Patent US10149127B2

Patent US10149127B2 - In response to receiving the engagement location, a qualified active mobile device can be identified near the engagement location. The selected qualified active mobile device can correspond to the qualified user account with a preferred record.

Patent US10149127B2 can be accessed at the following link:
https://patents.google.com/patent/US10149127B2

The Xigem Platform

The Xigem Platform was built on the framework provided by the iAgent Application and consists of a comprehensive cloud-computing solution for remote business operations, giving increased safety and access to remote virtual work environments. The Platform's focus is synchronizing business practice and management productivity, providing virtual, face-to-face interactions instantly anywhere in the world.

Through various business and project management applications, the Platform will enhance collaboration and unified communications amongst staff and customers. The Platform will also leverage mobile tools to enable greater accessibility and efficiency to customer workflow strategies, employees and remote workers. The Platform exists in the form of an easily accessible web and mobile application and will be customized to each customer's specific business needs and operating goals. The Company intends to market the Platform in a number of industries including the insurance industry, telehealth and e-learning.

Primary Functions of the Platform

The Company strives to become the global go-to platform for managing remote business operations. Having built the capabilities to facilitate remote business operations, the Platform's key functionality exists in the form of an easily accessible web and mobile application to give customers the infrastructure necessary for managing their organization remotely. The Platform will have several key functions including:

Worker-Specific Routine and Task Log

Organizational structures each require a completely unique setup of routines and service tasks. The Platform will enable customers to create them for specific sub-groups and profiles, allowing businesses to personalize job roles and routines. In many cases businesses will want to restrict access and information available to workers. The Platform will control their main site's visibility with features that empower clients to hide tasks and block employee access. Additionally, permission settings will allow a manager to decide who can view, edit, or change tasks or sections of the software. A key part of managing a project effectively lies in vetting the access of each user on the Platform. Metering out permissions will also help project managers avoid having to track down the sources of unauthorized changes to tasks or entire phases of the project.

Worker Visibility and Monitoring

The Platform's key advantage is that it will enable managers to monitor what's happening with all remote workers and send/receive information on in-the-field workers. Through geolocation monitoring, time stamping, task tracking, and live updates, triggers send alerts to the appropriate people, who can then act quickly on the information. Workers will be able to process jobs using their smartphone or tablet, easily capturing a range of proof of service details such as verified time spent on the job, GPS location, time-stamped photos of completed work and a customer's signature.

Remote Order Management

The Platform's online dashboard will enable organizations to view their entire workforce in real time and make better decisions about how to deploy individuals and teams. The Platform will let organizations streamline their remote work order management to maximize efficiency and minimize costs. Using the dispatch software, organizations will be able to gain transparency in the time allocation of workers or employees per job, equipment availability and existing commitments.

Segmentation of Worker Groups and Profiles

Management structures vary between organizations' group designations for segmenting remote workers. The Platform's design will enable customers to classify workers into groups, allowing businesses to set time slots, minimum task requirements and group-specific content (like objectives, opportunities, and structures) for each segment. Workers are segmented by their individual profiles, including geographical location, task volumes, availability, frequency of work, and more. By segmenting workers into specific groups, businesses can ensure that remote working tasks are customized according to specific profile selections.

Planning, Scheduling, and Proof-of-Work

The Platform will enable managers to assemble the team and list resources. Customers will be able to use the Platform's built-in solution or integrate with existing project management systems to schedule tasks, forecast a completion date, and allocate resources appropriately. The Platform will provide mobile workers with the apps they need to manage work orders, capturing proof of service and digital sign-off on jobs. Every remote worker's data will be immediately synced into the billing system for faster turnaround, better cash flow and easier resolution of customer disputes.

Organization Portal

The Platform's organization portal is the primary means of providing teams with easy and efficient access to data that can help them make more informed decisions and, therefore, improve their job performance and organizational success.

Customer Portal

The customer service portal is designed to be accessed directly by end users without the need to involve the organization. Accessible through the customer's website, these portals operate completely over the internet, and include functions, databases, FAQ pages, and more that are open to the end user. End users simply connect through a web browser to perform a variety of self-service tasks.

Insurance: *Xigem's Insurance Market Implementation*

Similar to the iAgent Application, the Company intends to initially launch its Platform in the insurance market industry in cooperation with IS pursuant to the IS LOI. Once launched, the Platform will allow insurance brokers to track the locations of their agents and provide that information directly to their call center systems, while integrating the other above noted primary functions of the Platform.

Healthcare and Medicine: Xigem's Telehealth Implementation

The Company also intends to customize its Platform to provide an entire suite of solutions for telehealth services, within a customizable turnkey offering. By encapsulating all the benefits of telehealth into the Platform, Xigem offers healthcare organizations a number of value propositions:

Security and Regulatory Compliance - The use of the cloud infrastructure to improve healthcare delivery mandates a completely secure environment. The Platform will be fully secure and PHIPA and HIPAA compliant. This means that key features, including video conferencing, will be compliant with the government's mandate for health security standards.

Platform Scalability – The Platform is built with future scalability in mind. This means that healthcare service providers can be confident that Xigem services have the capacity and scalability to expand along with the growth of any organizational structure and patient membership.

Operational Convenience - The Platform will deliver all the telehealth components needed for each provider's specific needs. This includes hardware, software, engagement tools, mobile support, ecommerce, scheduling and administration assistance, and even dispatching services for a ready-to-work remote solution.

Platform Simplicity – The Platform manages and administers the services for telehealth as much as required by the user, with every component subject to customer approval. This includes creating, installing and managing all hardware and software, as well as hosting the data on cloud servers.

Customizable Branding – The Platform is fully customizable to fit within any organization's branding mandate. This helps further ensure patient confidence, ease-of-use, and offers every organization the trust necessary to conduct remote business operations.

Business Objective and Milestones

The Company maintains the following business objectives for the Platform:

1. to complete the customization of its Platform and to begin alpha testing the prototype; within 3 months after completion of the Listing (Anticipated to cost $60,000);
2. to complete quality assurance and security testing of the Platform; within three (3) months after completion of the Listing (Anticipated to cost $40,000);
3. to begin beta testing the prototype Platform in the insurance industry; within six (6) months after completion of the Listing (Anticipated to cost $50,000);
4. to complete the customization and upgrading of the Platform for the telehealth industry and begin beta testing the prototype in the telehealth industry; within twelve (12) months after completion of the Listing (Anticipated to cost $100,000);
5. to complete a soft commercial launch of the Platform in the telehealth industry; within twenty-four (24) months after completion of the Listing (Anticipated to cost $100,000);

The table set forth below contains a detailed break-down of the proposal principal uses for the estimated funds available over the next twelve months:

Proposed use of funds	**Amount ($)**
Salaries and benefits	866,000
Development of the Platform	350,000
Advertising and promotion	102,000
Professional fees	75,000
Rent expense	60,000
General and administrative	60,000
Royalty charges	35,000
Payment of Issuer liabilities	50,000
Other expenses	24,000
Unallocated working capital	516,323
Total funds available	**2,138,323**

Industry Overview

As a result of the COVID-19 pandemic, the demand for a remote work economy has been rapidly accelerating. This has led to a growing need for specialized products and services catering to business operations that exceed the physical boundaries of the office floor.

Organizations around the world are proactively building information technology departments to support the sector as the adoption of remote work continues to grow. Governments and labour unions are updating labour market regulations as labour reforms are beginning to emerge and complement new organizational models. The World

Economic Forum issued a stable employment outlook for remote work over the coming five years, with a positive impact on the growth in the number of jobs due to mobile internet and cloud technology, signaling the widespread application of telework.[1]

In order for the successful adoption of a distributed workplace, organizations need to compensate for physical efficiencies lacking in a home environment. The right tools are necessary for working experiences to enable management and employees to be as productive as possible when they work from home.

Industry Statistics and the Remote Working Economy

Remote work is changing how the global workspace operates. In an uptrend that is showing no signs of slowing down, 70% of the American workforce is positioned to work remotely at least five days each month by 2025.[2] According to a Gallup report, 39% of employees worked remotely in 2012, and by 2016 that number had increased to 43%.[3] By 2028, 73% of all departments will have remote workers, with 33% of full-time employees working remotely.[4]

In 2019, the total annual revenues of US telehealth players were an estimated $3 billion, with the largest vendors focused in the virtual urgent care segment — helping consumers get on-demand instant telehealth visits with physicians (most likely, with a physician they have no relationship with).[5] Before the pandemic, Statista predicted that the telemedicine market size would increase to $41.2 billion by 2021.[6] With the acceleration of consumer and provider adoption of telehealth and extension of telehealth beyond virtual urgent care, up to $250 billion of current US healthcare spend could potentially be virtualized.[7]

In a recent Gartner Group study, 74 percent of CFOs said they plan to make remote work a permanent part of their workforce and cost-management plans. Due to the coronavirus, companies are taking greater adoption measures. This includes the likes of some of the world's largest companies, including Twitter and Square, announcing that employees are allowed to work remotely indefinitely, job functions permitting.[8]

In the United States alone, approximately 5 million employees, or 3.6% of the U.S. employee workforce, already work-at-home in either a half-time position or longer.[9] Full-time work-at-home has grown 173% between 2005 and 2018, 11% faster than the rest of the workforce (which grew 15%) and nearly 47x faster than the self-employed population (which grew by 4%).

Today, 43% of employees already work remotely with some level of frequency.[10] 56% of employees have a job where at least some of what they do could be done remotely and 62% of employees say they could work remotely, where studies repeatedly show desks are vacant 50-60% of the time.[11]

Remote Work in Healthcare: TeleHealth

COVID-19 has caused a massive acceleration in the use of telehealth. Consumer adoption has skyrocketed, from 11% of US consumers using telehealth in 2019 to 46% of consumers now using telehealth to replace cancelled healthcare visits.[12] Providers have rapidly scaled offerings and are seeing 50 to 175 times the number of patients via telehealth than they did in the past.[13] Pre-COVID-19, the total annual revenues of US telehealth players were an estimated $3

[1] World Economic Forum. "The Future of Jobs - Employment, Skills and Workforce Strategy for the Fourth Industrial Revolution." *The Future of Jobs*, World Economic Forum, 2020
[2] Messenger, Jon C. "Telework in the 21st Century: an Evolutionary Perspective." Edward Elgar Publishing, 2019
[3] Gallup, Inc. "State of the American Workplace." Gallup, 2019
[4] Upwork Inc. "U.S. Business Hiring Trends - Upwork Future Workforce Report." Upwork, 2019
[5] Palo Alto Medical Foundation, "Video visits and COVID-19 response," Sutter Health, 2020, sutterhealth.org.
[6] Mikulic, Matej. "Telemedicine Market Size Worldwide 2019 vs 2026." *Statista*, May 2020
[7] McKinsey COVID-19 Consumer Survey, April 27, 2020.
[8] Gartner Research. "CFO Survey Reveals 74% Intend to Shift Some Employees to Remote Work Permanently." Gartner Research, 2020
[9] Global Workplace Analytics. "Latest Work-at-Home/Telecommuting/Mobile Work/Remote Work Statistics." Global Workplace Analytics, 2020
[10] Ibid.
[11] Citrix Research. "The State of Remote Work: Preparing for Business as Usual—from Anywhere." Citrix.com, Citrix, 2018
[12] McKinsey COVID-19 Consumer Survey, April 27, 2020.
[13] Erickson M, "Stanford Medicine increases use of televisits to help prevent spread of coronavirus," Stanford Medicine, March 30, 2020.

billion, with the largest vendors focused in the "virtual urgent care" segment: helping consumers get on-demand instant telehealth visits with physicians (most likely, with a physician they have no relationship with).[14]

Telehealth is primed to expand beyond the typical virtual urgent care visit as the COVID-19 pandemic has become an essential testing ground for extending care by video or phone while mitigating contamination concerns. About 20% of all office, outpatient and home health expenses across Medicare, Medicaid and commercially insured populations could be converted to virtual care.[15] Telemedicine is a new, yet growing phenomenon, projected to have seven million patient users by 2018 and to become a $36.2 billion industry by 2020.[16]

Approximately 90 percent of healthcare executives report that their organizations are already using or have plans to implement telehealth platforms.[17] According to recent studies, 73 percent of consumers would discuss their health issues with a virtual doctor, and more than 50 percent would use the platform for an annual physical exam.[18]

Many industry analysts have long wondered why traveling to visit a doctor exists as the norm when modern technology enables an array of benefits via remote operations. Telemedicine practitioners say virtual appointments provide greater access to care and engagement with patients. Unfortunately, there is a shortage of technology solutions to facilitate this industrial shift of demand. Remote working technology can help bridge the gap and provide solutions to businesses and consumers alike.

Government Regulations and COVID-19

Since the COVID-19 virus outbreak in December 2019, the disease has spread to over 100 countries around the globe. The global impacts of the coronavirus disease 2019 (COVID-19) are already starting to be felt, and will significantly affect the remote work software market in 2020. Over 30,000,000 Americans were laid off or furloughed, and the International Labour Organization (ILO) estimates the cost of COVID 19 equaling 195,000,000 lost jobs.[19] The COVID-19 pandemic is forcing organizations to come up with better ways to let employees work from home. This means improving video conferencing capabilities, offering support to set up home offices or scheduling time to work from home.[20] Canadian and American governments are now showing how seriously they're taking the remote work industry by introducing bills and laws that utilize virtual jobs to resolve job accessibility, economic stability and emigration concerns. This will subsequently lead to an increase in the tracking and enforcement of mobile-impacted regulations, such as taxation and tourism, as governments strategize how to control borders for their benefit.

Technological Advances and the Virtual Office

With consistent innovation in communication technology, an increasing number of professionals are working remotely either from home, a customer's location, or simply from the road with the use of mobile and other portable devices. Some major companies such as Procter & Gamble, IBM, Accenture and AT&T have partially or fully eliminated traditional offices in favour of remote work solutions. Organizations will continue streamlining operations as emergency preparation and as education and consulting resources increase, businesses will feel more supported in the conversion process and will quickly adopt the benefits of distributed operations, including better controlled overhead costs and higher productivity. Not only is this good for business operations, it is also a key differentiator when it comes to cash flow sustainability, with the threat of a recession looming.

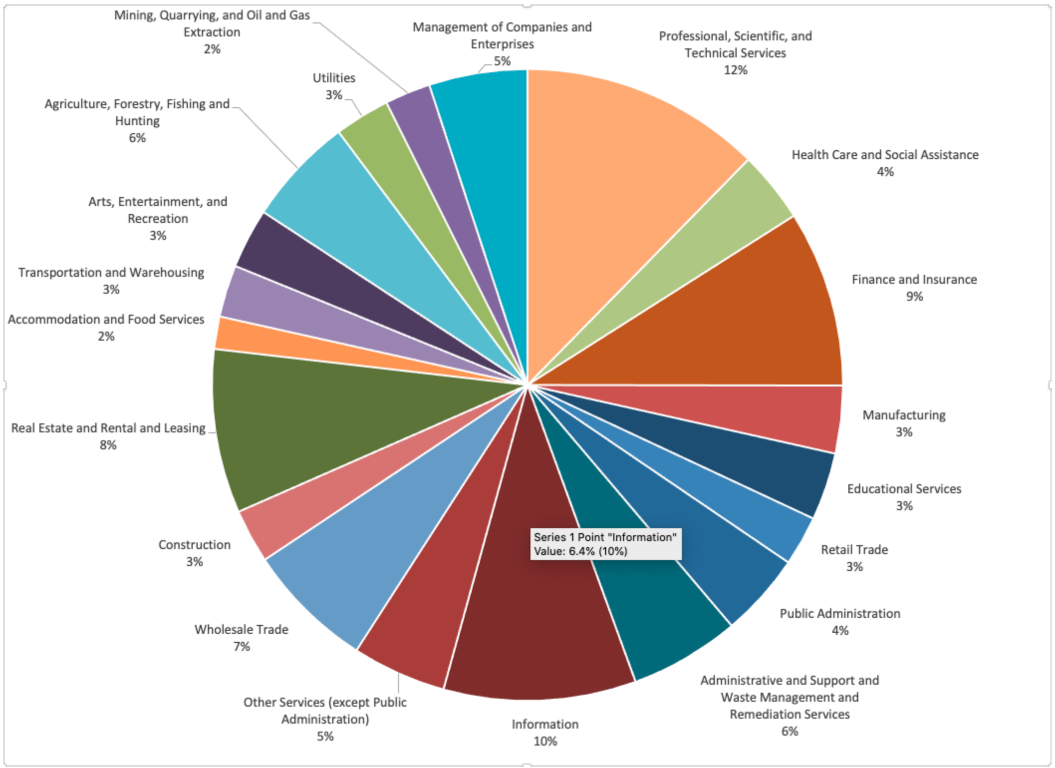
The Remote Worker of the Present

Today's typical remote worker is college-educated, 45 years old or older, and earns an annual salary of $58,000 while working for a company with more than 100 employees. 75% of employees who work from home earn over $65,000

[14] Palo Alto Medical Foundation, "Video visits and COVID-19 response," Sutter Health, 2020, sutterhealth.org.
[15] Ibid.
[16] Jacksonhealth. "Physician Trend Report 2016." Jackson Healthcare, May 2019.
[17] Foley & Lardner LLP. "Telemedicine Survey Executive Summary: White Papers: Foley & Lardner LLP." White Papers, 2014.
[18] Accenture. "Voting for Virtual Health." Accenture, 2019.
[19] ILO, "COVID-19 and the World of Work (COVID-19 and the World of Work)", International Labour Organization, May 2020.
[20] UofT, "COVID-19: Whether Working from Home Will Become the 'New Normal'." University of Toronto News, April 2020.

per year, putting them in the upper 80th percentile of all employees–home or office-based.[21] Figure 2.2.1 indicates the growing number of remote workers across industries in the United States

Percentage of Employees in Remote Working Positions, United States



Source: Global Workplace Analytics' special analysis of 2016 ACS data

Market Trends

Global Remote Working Software Market Dynamics

With the rising cost of organizational overhead, an increasing number of organizations are encouraging working from home. The advancements in the telecommunication trend, teleconferencing technology, and the widespread adoption of portable devices are the major factors driving the remote working software market with roughly 3.5 billion people connected to the internet through mobile devices globally.[22]

The increased adoption of cloud-based software has contributed to the growth of remote work as it enables organizations to connect and collaborate with colleagues globally, regardless of time zones or working periods. Remote work provides additional financial benefits to organizations by reducing their cost on providing and maintaining a working environment. By 2021, the trend in remote workers will enable organizations to support 40% more employees without the necessity for additional office space.[23] Additionally, the widespread implementation of machine learning technology in the remote work environment will further create opportunities for market growth.

Current Market Opportunity: Telehealth

[21] Global Workplace Analytics. "Latest Work-at-Home/Telecommuting/Mobile Work/Remote Work Statistics." Global Workplace Analytics, 2020
[22] O'Dea, Published by S., and Feb 28. "Smartphone Users Worldwide 2020." *Statista*, Feb. 2020
[23] Bayern, Macy. "How Remote Work Rose by 400% in the Past Decade." TechRepublic, TechRepublic, Jan. 2020.

With an ever increasing number of organizations implementing remote work into their structure, a platform-as-a-service offering will take advantage of the entire range of telehealth services within a single, customizable turnkey offering. Healthcare service providers are increasingly embracing the future of the industry, choosing to consolidate the many available telehealth services into a single, comprehensive and configurable package.

This recent boom in telehealth app development has begun to change the industry landscape, demonstrating that the global healthcare system is in dire need of innovation. Software development is now the primary goal of healthcare companies wishing to provide healthcare services to patients from a distance. Before the pandemic, Statista predicted that the telemedicine market size would increase to $41.2 billion by 2021.[24] As evidenced by the market's dynamics, telehealth app development has presented a major market opportunity. Since this niche is minimally occupied, the demand for such services is growing and will continue to rise.

Marketing Strategy

The Company's marketing efforts will be directed toward executing the objectives of building awareness and driving targeted traffic to the online platform. The combination of creative advertising and partnerships with traffic generating sites is expected to result in many freemium, low commitment subscribers, and eventually upsold the value ladder. The Company expects to use a variety of marketing tools including grassroots marketing, web advertising, affiliate marketing programs, public relations, and key strategic alliances to drive traffic. The following will provide a breakdown of the Company's strategy.

B2B Content Marketing

Business-to-business customers are focused on expertise, driven by logic, and desire to be educated. The Company's content marketing strategy will focus on providing valuable information to customers, educating them on potential remote business practice and opportunities created by such. The Company will target a variety of online forums that are likely to have a high number of web users that classify under their target demographic. The content strategy will be the backbone to support all digital marketing efforts, which involves anticipating what the audience is searching for, helping them discover the content and ultimately converting them to customers.

Digital Advertising

The Company intends to place banners ads with major portal sites to increase traffic and awareness. This advertising will be specifically targeted towards the identified enterprise customers most in need of these software solutions. In addition, the company intends to lock-up keyword advertising slots in which the Company's banner is automatically served when someone enters a keyword (e.g. "Remote work platform") during a web search. The Company will also keep abreast of the latest Search Engine Technology to maintain top ranking in our industry categories. The Company's commitment to the entire user experience, striving to exceed our customers' expectations, will support a loyal subscriber base as new competitors join the market.

Public and Media Relations

The Company will implement an on-going public relations campaign to build awareness and traffic to the platform. The public relations strategist will cooperate with executives of the organization to design the outline of how it's going to craft the Company's perception. This focuses on the Company objectives and progress and then outlines the mediums to circulate the message. Interacting with the media is the main function of this effort. Interviews will be arranged with important individuals in the Company, field questions from reporters, and written press releases to make the media aware of company announcements and achievements.

Strategic Alliances

[24] Mikulic, Matej. "Telemedicine Market Size Worldwide 2019 vs 2026." *Statista*, May 2020

The Company will establish strategic partnerships and alliances with key industry players and major organizations to facilitate the development of brand recognition and trust. These alliances will result in extensive co-marketing by both organizations, with the goal of driving traffic and building awareness of the Company's offerings.

Influencer Marketing

The Company will engage in various influencer marketing strategies across a variety of mediums including YouTube, Facebook and Instagram. These efforts will help the brand boost its authenticity, by connecting with the target consumers through a variety of trusted individuals with large audiences. It will also help drive engagement, website traffic, and conversions.

Referral and Other Incentives

The Company will offer existing customers a way to make a rebate usable on their payments for their support of the application through a referral program. This promotional feature will be marketed directly to the Company's existing and past customer base, as well as through online affiliations, strategic partners, and grassroots marketing.

Direct-to-Business Sales

As the Company grows its online presence, Xigem will begin generating mass target market lists and prospective customer leads. These leads will begin with a phone call and email to the potential enterprise customers. In addition, the Company's sales team will proactively make calls to their respective assigned regions. Initially, the Company plans to divide North America into eight regions of responsibility (Northeast, Mid-Atlantic, Southeast, North Central, South Central, West, Canada and Mexico). Teams will be provided with a contact database of medical professionals in an effort to convert them to trials and paid customers.

The Company's sales team will be proactively contacting medical institutions and business partners. The Company will support any level of service the customer requires with the objective of ultimately converting trials to paid subscriptions on the Platform. The Company will also have the ability and capacity to provide live and remote demonstrations of the Platform. To protect the Company's long-term viability, sales team members will be required to sign a limited non-competition agreement.

The Company will invest in technical infrastructure to maintain the integrity of our sales database. The company will provide each team member with a intra-networked computer that will allow them to access the Company's sales tools and infrastructure. The Company database will be maintained by Salesforce.com, which will deter theft of information and keep the data clean. With regard to the Company's database of customers and prospects, it is essential that a consultative sales approach be adopted to ensure a thorough, organized, orderly approach for each prospect. Detailed notes will be kept on each customer. Persistent follow ups will be required. This approach will allow the company tremendous flexibility in case of turnover. A new team member will have the ability to be quickly trained and instantly become a profit center by utilizing the existing contact database with detailed correspondence.

Primary Revenue Models

The Platform will generate revenue through a platform-as-a-service (PaaS) model. The Company maintains responsibility for the servers, database (and the data they contain), and other software that allow their product to be accessed and used.

Basic Plan

Under this model, organizations will have licensed access to the Platform for up to 5 users. The basic plan will be priced at $100 per month.

Pro Plan

Under this model, organizations will have licensed access to the Platform for up to 20 users. This plan will include

24-hour live chat customer support. The pro plan will be priced at $350 per month.

Enterprise Plan

Under this model, organizations will have licensed access to the Platform for up to 100 users. This will include a dedicated customer service agent to the account and 24-hour live chat support. The enterprise plan will be priced at $5,000 per month with further charges for additional users past the 100 user cap.

Alternative Revenue Models

Alternative subscription plans offered to customers can vary considerably depending on the level of service the customers opt into. Every contract will be tailored to the customers needs dependent on the criteria best suited for their business. Given the ample feature and functionality architecture, the Company expects significant Platform usage that will be illustrated by the following revenue models:

Freemium Pricing Model

Freemium pricing: offering a free-to-use product, supplemented by additional paid packages. The freemium business model is typically used as part of a tiered pricing strategy: the regular paid packages are supplemented with a free, entry-level tier. That tier is then limited across certain dimensions in order to encourage users to upgrade at a certain level of usage.

Recurring Payments (Subscription Revenue)

This model involves providing a subscription-based service, collecting payments every month or year. Recurring payments take the form of monthly recurring revenue.

Usage Based Pricing

This type of pricing strategy directly relates the cost of a PaaS product to its usage. In practice, this pricing strategy is most common within infrastructure, and platform-related software companies, where companies are charged based on the number of API requests, transactions processed, or gigabytes of data used.

Per User Pricing

Per User Pricing it pricing model that bills per user on the platform. This method's popularity can largely be attributed to simplicity: a single user pays a fixed monthly price; add another user, and that price doubles; This enables extremely simple management and predictive revenue metrics.

Per Active User Pricing

One variant of the per user pricing model is active user pricing. This will enable the Company to onboard large institutions or new customers with hundreds of employees, up-front — without any upfront cost to the entity. Once features are enabled and further use is incentivized, the billing proceeds. This model encourages the sign-up of as many users as possible, with the safeguard that only active users will be billed for.

Per Feature Pricing

For the previous two PaaS pricing models, users were the common variable, but it’s completely possible to use features as the value metric instead. Per feature pricing separates out different pricing tiers according to the functionality available in each, with the higher priced packages associated with a greater number of available features.

Intercorporate Relationships

As of the date of this Prospectus, the Company does not have any subsidiaries.

DIVIDENDS AND DISTRIBUTIONS

The Company has neither declared nor paid any dividends since incorporation.

SELECTED FINANCIAL INFORMATION AND MD&A

The table below summarizes selected financial data of the Company for the periods indicated and should be read in conjunction with the Financial Statements and the Management's Discussion and Analysis attached as Appendix "C1 and "C1" respectively to this Prospectus.

Summary Components of Statement of Operations and Comprehensive Income	Period ended October 31, 2020. Audited ($)
Revenues	–
Expenses	87,590
Net Income (Loss)	(93,398)
Basic and diluted earnings (loss) per share	(0.004)
Summary Components of Statement of Financial Position	
Current Assets	2,396,282
Total Assets	3,017,515
Current Liabilities	96,765
Total Liabilities	102,573
Working Capital	2,299,517

MANAGEMENT'S DISCUSSION & ANALYSIS

The Company' Management's Discussion and Analysis is attached to this Prospectus as Appendix "C2". Certain information included in the Company' Management's Discussion and Analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Caution Regarding Forward-Looking Statements" for further detail.

DESCRIPTION OF THE SECURITIES OF THE COMPANY

Common Shares

The Company is authorized to issue an unlimited number of Company Shares, issuable in series.

Holders of Company Shares are entitled to receive dividends if, and when declared by directors of the Company and receive the assets of the corporation upon dissolution, subject to the rights of the holders of any other class of shares. The holders shall be entitled to receive notice to attend all annual and special meetings of the shareholders of the corporation and to have one (1) vote for every Company Share held at such meetings.

Preference Shares

The Company is also authorized to issue an unlimited number of Preferred Shares. Holders are entitled to dividends, rights to redemption and purchase, retraction rights, voting rights, conversion rights, and any rights upon dissolution, liquidation or winding up, as determined by the directors of the Company.

The Preferred Shares of each series shall rank on a parity with the Preferred Shares of every other series and be entitled to preference over the Company Shares and over any other shares over which the Preferred Shares have a priority, in addition to receiving dividends. There are currently no Preferred Shares outstanding.

Warrants

Each Unit issued under the Private Placement consisted of one (1) Company Share and one-half of one Company Warrant. Each whole Company Warrant entitles the holder thereof to purchase one (1) Company Share at a price of $0.035 per Company Share until October 29, 2021.

Each iAgent Unit issued to iAgent consisted of one (1) Company Share and one-half of one Company Warrant. Each whole Company Warrant entitles the holder thereof to purchase one (1) Company Share at a price of $0.035 per Company Share until October 20, 2021.

Options

As of the date of this Prospectus, the Company has not issued any options.

PRIOR SALES

No securities are being distributed under this Prospectus. The following table summarizes the details of the issuance of securities of the Company during the twelve-month period prior to the date of this Prospectus.

Date	Description of Securities	Number of Securities	Issue price per security
June 15, 2020	Company Shares	20,000,000	$0.01
October 20, 2020	iAgent Units(1)	25,000,000	$0.02
October 29, 2020	Units(2)	86,000,000	$0.025
October 29, 2020	Units(3)	1,473,600	$0.025
Total		**132,473,600**	

Notes:
1. Each iAgent Unit consists of one (1) Company Share and one-half of one Company Warrant.
2. Each Unit consists of one (1) Company Share and one-half of one Company Warrant.
3. 1,473,000 Units were issued to settle $36,840 of arm's-length debt of the Company. Each Unit consists of one (1) Company Share and one-half of one Company Warrant.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Pursuant to the terms of the License Agreement, the Company Shares and Company Warrants issued to iAgent as part of the iAgent Units are subject to the iAgent Lock-Up Agreements. In addition, the Company Shares and Company Warrants issued as part of the Units sold in the Private Placement and the Company Shares sold pursuant to the Company's June 15, 2020 private placement are subject to the Private Placement Lock-Up Agreements.

Designation of Class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of Class
Company Shares	25,000,000	18.87%
Company Shares	87,473,600	66.03%
Company Shares	18,000,000	13.59%
Company Warrants	12,500,000	22.23%
Company Warrants	43,736,800	77.77%

The Company Shares, iAgent Units and Units subject to the Company Lock-Up Agreements will be released on the following schedule:

Release Date	Percentage of Units and iAgent Units to be Released
Closing Date	15%
1 month following the Closing Date	10%
2 months following the Closing Date	10%
3 months following the Closing Date	10%
4 months following the Closing Date	10%
5 months following the Closing Date	10%
6 months following the Closing Date	10%
7 months following the Closing Date	10%
8 months following the Closing Date	10%
9 months following the Closing Date	5%

EXECUTIVE COMPENSATION

See "Part III – Information Concerning the Resulting Issuer – Executive Compensation" for details on the executive compensation paid by the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Prospectus, no director, executive officer or employee of the Company or their respective associates or affiliates is or has been indebted to the Company at any time.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in the Prospectus, neither the directors, officers and principal shareholders of the Resulting Issuer, nor any associate or affiliate of the foregoing, have had any material interest, direct or indirect, in any transactions in which the Issuer, or the Company has participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Resulting Issuer.

LEGAL PROCEEDINGS

The Company is not a party to any legal proceedings, nor is it aware of any legal proceedings to which any of its property or assets is the subject matter, and it is not aware of any such proceedings known to be contemplated.

AUDITORS

The auditor of the Company is Clearhouse LLP, located at 527-2560 Matheson Blvd E, Mississauga ON L4W 4Y9.

TRANSFER AGENT AND REGISTRAR

As of the date of this Prospectus, the Company does not have a transfer agent and registrar.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Company within the two years prior to the date of this Prospectus:

1. the Business Combination Agreement;
2. the IP License Agreement; and
3. the Software Development Agreement.

PART III – INFORMATION CONCERNING THE RESULTING ISSUER

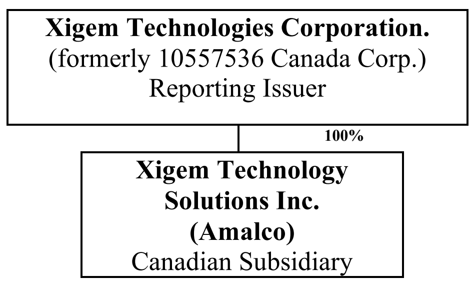
NAME, ADDRESS AND INCORPORATION

Following completion of the Transaction, the corporate structure of the Resulting Issuer will have the Issuer as the parent company to Amalco, as shown under “Intercorporate Relationships” below. Subject to CSE acceptance, and concurrent with completion of the Transaction and satisfaction of other Closing conditions, the Resulting Issuer intends to change its name to “Xigem Technologies Corporation”

The Resulting Issuer’s head office and registered office will be located at Suite 3600, 22 Adelaide Street West, Bay Adelaide Centre, East Tower, Toronto, Ontario, M5H 4E3.

INTERCORPORATE RELATIONSHIPS

The diagram below describes the inter-corporate relationships of the Resulting Issuer post-Transaction:



NARRATIVE DESCRIPTION OF THE BUSINESS

Assuming completion of the Transaction, the Resulting Issuer will become the holding company of the Company and will implement the business plan of the Company.

See “ Business Objectives and Milestones”, which follows, and see also “Part II – Information Concerning the Company– Narrative Description of the Business”.

USE OF PROCEEDS

This is a non-offering prospectus. The Resulting Issuer is not raising any funds in conjunction with this Prospectus. Accordingly, there are no proceeds to the Resulting Issuer in connection with the filing of this Prospectus.

FUNDS AVAILABLE AND USE OF AVAILABLE FUNDS

Upon completion of the Transaction, it is anticipated the Resulting Issuer will have working capital of approximately $2,138,323. The principal purposes for the use of those funds will be as follows:

Funds Available	Amount ($)
Working capital of Issuer as at September 30, 2020	(96,001)
Working capital of Company as at October 31, 2020	2,299,517
Transaction costs	(65,193)
Net proceeds from Transaction	**2,138,323**

The table set forth below contains a detailed break-down of the proposal principal uses for the estimated funds available over the next twelve months:

Proposed use of funds	**Amount ($)**
Salaries and benefits	866,000
Development of the Platform	350,000
Advertising and promotion	102,000
Professional fees	75,000
Rent expense	60,000
General and administrative	60,000
Royalty charges	35,000
Payment of Issuer liabilities	50,000
Other expenses	24,000
Unallocated working capital	516,323
Total funds available	**2,138,323**

The Resulting Issuer intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. Use of net proceeds will be subject to the discretion of management.

BUSINESS OBJECTIVES AND MILESTONES

Following completion of the Transaction, the Resulting Issuer's primary business objectives and milestones will be the business objectives and milestones of the Company. See in "Part II - Information Concerning the Company – Narrative Description of the Business".

DIVIDENDS OR DISTRIBUTIONS

The Resulting Issuer intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on the Resulting Issuer Shares in the foreseeable future.

PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth selected pro forma consolidated financial information of the Resulting Issuer as at October 31, 2020 as if the Transaction has been completed as at October 31, 2020.

As at September 30, 2020 and October 31, 2020	Issuer $	Company $	Pro Forma Adjustments $	ProForma $
Balance Sheet				
Current assets	2,947	2,396,282	–	2,399,299

Total assets	2,948	3,017,515	(1)	3,020,462
Current liabilities	98,948	96,765	(86,531)	109,182
Total liabilities	98,948	102,573	–	114,990
Shareholders' Equity (deficiency)	(96,000)	2,914,942	86,530	2,905,472

DESCRIPTION OF THE SECURITIES

The Resulting Issuer will be authorized to issue an unlimited number of Resulting Issuer Shares. For further details see "Part I Information Concerning Issuer – Description of the Securities" and "Part II Information Concerning the Company – Description of the Securities".

AUTHORIZED AND ISSUED SHARE CAPITAL

See in this Part III – Information Concerning the Resulting Issuer, "– Pro Forma Consolidated Financial Information" and "– Fully Diluted Share Capital", which follow; and see "Part I Information Concerning Issuer – Description of the Securities" and "Part II Information Concerning the Company – Description of the Securities".

WARRANTS AND OPTIONS TO PURCHASE SECURITIES

Following the Issuer Split, the Resulting Issuer will have the following warrants outstanding:

1. Warrants to acquire 205,662 Resulting Issuer Shares at $0.1519 per share until January 21, 2021;
2. Warrants to acquire 3,290,600 Resulting Issuer Shares at $0.006 per share until September 20, 2023
3. Warrants to acquire 6,250,000 Resulting Issuer Shares at $0.07 per share until October 20, 2021; and
4. Warrants to acquire 21,868,400 Resulting Issuer Shares at $0.07 per share until October 29, 2021.

The Resulting Issuer expects to adopt the "rolling" stock option plan of the Issuer at Closing, pursuant to which the Board may from time to time, in its discretion, and in accordance with CSE requirements, grant to directors, officers, employees and consultants, non-assignable and non-transferable options to purchase the Resulting Issuer Shares, provided that the number of the Resulting Issuer Shares reserved for issuance will not exceed 10% of the then issued and outstanding shares. The text of the Issuer's stock option plan is attached hereto as Appendix "F".

See "Fully Diluted Share Capital", which follows.

See "Fully Diluted Share Capital", which follows.

CONSOLIDATED CAPITALIZATION

The following table sets out the share capitalization of the Resulting Issuer after giving effect to the Transaction:

Designation of Security	**Amount authorized or to be authorized**	**Amount outstanding after giving effect to the Transaction (post-Issuer Split)**
Common Shares	Unlimited	74,846,645
Preferred Shares	Unlimited	Nil
Options	10% of the outstanding Resulting Issuer Shares	Nil
Warrants	Unlimited	31,614,663

FULLY DILUTED SHARE CAPITAL

The following table sets out the anticipated fully diluted share capital of the Resulting Issuer after giving effect to the Transaction.

	Number of Securities Issued or Reserved as of the closing of the Transaction	**% of total issued and outstanding as of the closing of the Transaction**
Shares to be Issued		
Resulting Issuer Shares (post-Issuer Split) issued at the date of Prospectus	7,359,845	9.83%
Resulting Issuer Shares (post-Issuer Split) to be issued on closing of the Transaction to shareholders of the Company	66,236,800	88.50%
Resulting Issuer Shares (post-Issuer Split) to be issued on closing of the Transaction to certain creditors of the Issuer	1,250,000	1.67%
Total Resulting Issuer Shares to be issued	74,846,645	100%
Shares to be issued on exercise Company Warrants	28,118,400	88.94%
Shares to be issued on exercise of Issuer Warrants	3,496,263	11.06%
Total shares to be reserved for issuance upon exercise	31,614,663	100%
Fully diluted issued and outstanding	**105,211,307**	**100%**

PRIOR SALES

Since the date of incorporation of the Issuer, 4,473,254 Issuer Shares (pre-Issuer Split) have been issued as follows:

Date	**Number of Issuer Shares**	**Method of Sales**	**Price per Common Share**
April 5, 2018	2,499,996	Granted to the shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot	$0.0000001
January 22, 2019	250,000	Non-brokered private placement	$0.10
June 30, 2020	1,723,258	Shares for debt	$0.02
Total	4,473,254		

During the past 12 months, the Company has issued, securities as follows:

Date	**Description of Securities**	**Number of Securities**	**Issue price per security**

June 15, 2020	Company Shares	20,000,000	$0.01
October 20, 2020	iAgent Units(1)	25,000,000	$0.02
October 29, 2020	Units(2)	86,000,000	$0.025
October 29, 2020	Units(3)	1,473,600	$0.025
Total		**132,473,600**	

Notes:
1. Each iAgent Unit consists of one (1) Company Share and one-half of one Company Warrant.
2. Each Unit consists of one (1) Company Share and one-half of one Company Warrant.
3. 1,473,000 Units were issued to settle $36,840 of arm's-length debt of the Company. Each Unit consists of one (1) Company Share and one-half of one Company Warrant.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

The CSE Escrow Shares

The Issuer intends to apply to have its shares listed on the CSE. The CSE Escrow Shares will be held in escrow pursuant to the CSE Escrow Agreement. There are to be 4,337,295 Resulting Issuer Shares to be held in escrow. These are held in escrow as required by CSE policy on completion of the Transaction. The CSE Policies required that escrowed securities are subject to an escrow agreement pursuant to NP 46-201.

The CSE Escrow Shares are to be subject to the release schedule set out in the form of escrow required by section 1.8 of Policy 8 – *Fundamental Changes of the CSE*. Ten (10%) percent of the CSE Escrow Shares are to be released upon the date of listing on the CSE and an additional 15% are to be released every 6 months thereafter until all CSE Escrow Shares have been released (36 months following the date of listing on the CSE).

The CSE Escrow Agreement provides that the CSE Escrow Shares are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the prior written consent of the CSE. In the event of the bankruptcy of an escrow shareholder, provided the CSE does not object, the CSE Escrow Shares held by such escrow shareholder may be transferred to the trustees in the bankruptcy or such person legally entitled to the CSE Escrow Shares which shares will remain in escrow subject to the escrow agreement. In the event of the death of an escrow shareholder, provided the CSE does not object, the CSE Escrow Shares held by the escrow shareholder will be released from escrow.

The Lock-Up Agreements

Pursuant to the terms of the License Agreement, the Company Shares and Company Warrants issued to iAgent as part of the iAgent Units are subject the iAgent Lock-Up Agreements. In addition, the Company Shares and Company Warrants issued as part of the Units sold in the Private Placement are subject to the Private Placement Lock-Up Agreements.

The iAgent Units and Units subject to the Company Lock-Up Agreements will be released on the following schedule:

Release Date	**Percentage of Units and iAgent Units to be Released**
Closing Date	15%
1 month following the Closing Date	10%

2 months following the Closing Date	10%
3 months following the Closing Date	10%
4 months following the Closing Date	10%
5 months following the Closing Date	10%
6 months following the Closing Date	10%
7 months following the Closing Date	10%
8 months following the Closing Date	10%
9 months following the Closing Date	5%

The Business Combination Agreement also contemplates that the Issuer will enter into obtain voluntary resale restriction agreements with the Company, in a form reasonably agreed to by the Company, from the holders of any Issuer Shares which, individually or together with its associates or affiliates, holds more than 2.5% of the Issuer Shares (post-Issuer Split) immediately prior to the Closing Date, pursuant to which such parties will, among other things, agree not to trade (the "**Issuer Lock-Up Agreements**") their respective Issuer Shares (post-Issuer Split), provided that: (i) 15% of their Issuer Shares (post-Issuer Split) will be released on the Closing Date; and (ii) on each subsequent one-month anniversary of the Closing Date, 10% of the Issuer Shares (post-Issuer Split) will be released.

Upon completion of the Transaction and exchange of the Company Shares for Resulting Issuer Shares and Company Warrants for Resulting Issuer Warrants, it is anticipated that 69,543,716 Resulting Issuer shares and 30,243,400 Resulting Issuer Warrants will be subject to lock-up agreements or the CSE Escrow Agreement.

Designation of Class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of Class
Resulting Issuer Shares	69,543,716	92.91%
Resulting Issuer Warrants	30,243,400	95.66%
Resulting Issuer Options	Nil	N/A

PRINCIPAL SECURITYHOLDERS

To the knowledge of the Company's directors and executive officers, the no person beneficially owns or exercises, directly or indirectly, control or discretion over Company Shares carrying more than 10% of the votes attached to the Company Shares.

DIRECTORS AND OFFICERS - EXPECTED

The following table sets out the name, municipality and province of residence, position anticipated to be held with the Resulting Issuer, current principal occupation, and the number and percentage of the Resulting Issuer Shares which will be beneficially owned, directly or indirectly, or over which control or direction is proposed to be exercised, by each of the Resulting Issuer's proposed directors and officers following completion of the Transaction.

Name and Municipality of Residence[(1)]	Position to be held with the Resulting Issuer [(2)]	Principal Occupation for the Past Five Years [(3)]	Number of the Resulting Issuer Shares after Completion of the Transaction	Percentage of class after Completion of the Transaction [(3)]

Brian Kalish[5] Toronto, Ontario Age: 50	Director Corporate Secretary and CEO	Brian is a co-founder and formerly a Director and CEO of Media Central Corporation (CSE: FLYY, FSE:3AT) which he led from inception to being Canada's largest publisher of alternative titles inside of 8 months. He is also the interim CEO of Baron Auto Group, an automobile subprime lender. Prior to Media Central, among other initiatives, he served as founding director and president of various specialty finance companies where portfolios grew from start-up to approximately $15 million in capital assets within two years. Prior to this, Brian was a Director and the CEO of Gemoscan Canada, Inc. a vertically integrated healthcare company which he reorganized and led through a series of capitalizations and public listings.	1,000,000	1.33%
Scott Wilson[5] Toronto, Ontario Age: 51	Director	Dr. Scott Wilson is the founder and chairman of PhysiomedTM, one of Canada's largest franchised networks of interdisciplinary health care clinics with more than 30 clinics in Ontario and British Columbia. Scott is formerly a Director of Media Central Corporation Inc. (CSE: FLYY).	NIL	NIL
Stephen Coates Toronto, Ontario Age: 49	Director	Stephen is founder and Principal of Grove Capital Group – a merchant banking group specializing in the incubation and development of entrepreneurial businesses in Canada and abroad – and Grove Corporate Services – a corporate secretarial, administration and accounting support firm for small-cap companies. Stephen has founded and served as Chairman or CEO of several publicly listed companies and currently serves as advisor to, and/or Director of, several public and private small-cap companies.	3,337,295[6]	4.46%
Conor Bill[5] Toronto, Ontario Age: 56	Director	Conor has served as CEO or CFO of several publicly listed companies and currently serves as advisor to, and/or Director of, several public and private small-cap companies. He is the managing director of Mt. Auburn Capital Corp, a general brokerage investment firm.	NIL	NIL

Igor Kostioutchenko Maple, Ontario Age: 34	CFO	Igor has extensive experience providing controllership services, applying IFRS, ASPE and U.S. GAAP frameworks, advising on restructuring, mergers, acquisitions and public market offerings. Igor was the Controller of Media Central Corporation Inc. (CSE:FLYY).	NIL	NIL
Anton Tikhomirov King City, Ontario Age: 33	CTO	Anton has more than 15 years of experience in digital technologies, with a specialization in e-commerce. His unique approach to systems enabled him to establish a chain of e-commerce platforms in 2008 which, within two years, garnered more than one million unique visitors per month. Anton's ability to develop and diligently execute strategic plans allowed him to open a full-service digital agency in 2016, which currently serves nearly 40 clients across Canada and the United States. Anton is formerly the Sr. VP of Technology and Architecture at Media Central Corporation Inc.	NIL	NIL

Notes:

1. Information as to age, municipality of residence, principal occupation, securities beneficially owned or over which a director or officer exercises control or direction has been furnished by the respective individuals as of the date of this Prospectus
2. The term of office of each of the directors expires on the earlier of the Company's next annual general meeting or upon resignation. The term of office of the officers expires at the discretion of the directors.
3. See "Management and Key Personnel" for additional information regarding the principal occupations of the Resulting Issuers directors and officers.
4. Based on 74,846,645 Resulting Issuer Shares projected to be outstanding upon completion of the Transaction.
5. Member of the Audit Committee.
6. Following completion of the transaction, it is anticipated that Stephen Coates will hold 168,211 Resulting Issuer Share's directly, and (i) 2,393,615 beneficially through Bolingbroke Investments Inc; (ii) 441,704 beneficially through Grove Corporate Services Ltd.; and (iii) 333,765 beneficially through Grove Capital Group Ltd. Mr. Coates is the controlling shareholder of all three entities.

At the completion of the Transaction, the directors and officers of the Resulting Issuer as a group will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of 4,337,295 of Resulting Issuer Shares, representing 5.79% of the issued and outstanding the Resulting Issuer Shares (on an undiluted basis). Each director's term of office will expire at the next annual meeting of the shareholders unless re-elected at such meeting.

There are no other committees of the Board at this time. The Resulting Issuer expects to have a compensation committee after completion of the Transaction. All compensation matters will be overseen by the compensation committee of the Resulting Issuer. All corporate governance matters will be overseen by the board of directors.

The directors and officers will devote their time and expertise as required by the Resulting Issuer, however, it is not anticipated that any director will devote 100% of their time to the activities of the Resulting Issuer. None of the directors will be employees of the Resulting Issuer.

MANAGEMENT AND DIRECTORS

Brian Kalish (Chief Executive Officer, Corporate Secretary and Director)

Brian is a co-founder and formerly a Director and CEO of Media Central Corporation (CSE: FLYY, FSE:3AT) which he led from inception to being Canada's largest publisher of alternative titles inside of 8 months. He is also the interim CEO of Baron Auto Group, an automobile subprime lender. Prior to MediaCentral, among other initiatives, he served as founding director and president of various specialty finance companies where portfolios grew from start-up to approximately $15 million in capital assets within two years. Prior to this, Brian was a Director and the CEO of Gemoscan Canada, Inc. a vertically integrated healthcare company which he reorganized and led through a series of capitalizations and public listings. Earlier he co-led the acquisition and redevelopment of the Toronto Argonauts Football Club of the Canadian Football League, was Vice President of K2 Pure Solutions a specialty industrial chemical manufacturer, where he led government and public relations in the United States and founded the first interactive point of purchase retail medium in Canada. Brian has a degree in Political Economy from York University in Toronto.

Igor Kostioutchenko (Chief Financial Officer)

Igor has extensive experience providing controllership services, applying IFRS, ASPE and U.S. GAAP frameworks, advising on restructuring, mergers, acquisitions and public market offerings. Igor graduated with distinction from the University of Toronto's Rotman School of Management and began his public accounting career with Deloitte LLP. Igor is formerly the Controller and Interim CFO of Media Central Corporation Inc. (CSE: FLYY, FSE:3AT).

Anton Tikhomirov (Chief Technology Officer)

Anton has more than 15 years of experience in digital technologies, with a specialization in e-commerce. His unique approach to systems enabled him to establish a chain of e-commerce platforms in 2008. Anton is formerly the Sr. VP of Technology and Architecture at Media Central Corporation Inc. (CSE: FLYY, FSE:3AT).

Stephen Coates (Director)

Stephen is founder and Principal of Grove Capital Group – a merchant banking group specializing in the incubation and development of entrepreneurial businesses in Canada and abroad ; and, Grove Corporate Services – a corporate secretarial, administration and accounting support firm for small-cap companies. Stephen has founded and served as Chairman or CEO of several publicly listed companies and currently serves as advisor to, and/or Director of, several public and private small-cap companies. Stephen has spent over 20 years in the capital markets, working in Canada, the United States and United Kingdom. He specializes in financial structuring, business development, communications and market finance – creating strategic relationships for success. Stephen is a graduate of Kings College at the Western University in London, Canada. He is currently a Director of: Currie Rose Resources Inc. (TSXV:CUI) and International Zeolite Corp. (TSXV:IZ)

Conor Bill (Director)

Conor has 20+ years of experience in financial services, establishing and building alternative asset management firms. He held senior roles in both the M&A and wealth management units of Scotia Capital. Previously, Conor was the President & CEO of Artemis Investment Management, which he turned into a $3 billion money management firm running hedge funds and serving ultra-high net worth families in Canada and the U.S. Conor founded and was Managing Partner of Mt. Auburn Capital, a leading Canadian firm specializing in providing financial advisory services to money management businesses. As Managing Director of BluMont Capital, Conor turned around the faltering Canadian investment management business. He founded Lawrence Asset Management, one of Canada's first and most successful hedge funds and alternative asset management businesses, raising over $350M. Conor was the president or CEO of 14 TSX listed companies as well as a director of many other public companies. He has an MBA from the Richard Ivey School of Business, and a BComm and BA in Economics from Queen's University.

Scott Wilson (Director)

Scott is a widely recognized North American health care expert, passionate entrepreneur and public speaker with more than 25 years of experience treating patients as a board-certified chiropractor (Canada and the U.S.). Dr. Scott Wilson is also the founder and chairman of Physiomed™, one of Canada's largest franchised networks of interdisciplinary health care clinics with more than 30 clinics in Ontario and British Columbia. Scott is formerly a Director of Media Central Corporation Inc. (CSE: FLYY, FSE:3AT).

Other Reporting Issuer Experience

The following table sets out the expected directors, officers and promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name	Name and Jurisdiction of Other Reporting Issuers	Name of Exchange or Market	Position	From	To
Stephen Coates	International Zeolite Corp. (British Columbia, Alberta)	TSXV	Director	2018-06-28	Present
	Currie Rose Resources Inc. (British Columbia, Alberta, Ontario and Saskatchewan)	TSXV	Director	2017-12-31	Present
	Exploratus Ltd. (Manitoba)	N/A	Director	2007-11-01	Present
Scott Wilson	Media Central Corporation Inc. (British Columbia, Alberta and Ontario)	CSE	Director	2019-10-23	2020-11-20
	Gemoscan Canada, Inc. (British Columbia, Alberta and Ontario)	TSX Venture	Director	2010-05-31	2016-01-08
Brian Kalish	Media Central Corporation Inc. (British Columbia, Alberta and Ontario)	CSE	CEO	2019-10-23	2020-11-20
	Gemoscan Canada, Inc. (British Columbia, Alberta and Ontario)	TSX Venture	CEO, Director	2012-12-01	2016-01-08 (Director) 2015-10-21 (CEO)
Anton Tikhomirov	Media Central Corporation Inc.	CSE	Sr. Vice President, Technology & Architecture	Oct 2019	2020-11-20
Conor Bill	European Strategic Balanced Fund	TSX	Director, President & CEO	April 2014	Dec 2015

	Citadel Income Fund	TSX	Director, President & CEO	January 2013	Dec 2015
	Energy Income Fund	TSX	Director, President & CEO	January 2013	Dec 2015

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

Other than as disclosed herein, to the best of the Resulting Issuer's knowledge, no existing or proposed director, or officer of the Resulting Issuer, nor any shareholder holding sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is, or within the ten years prior to the date hereof has been, a director or CEO or CFO of any corporation (including the Resulting Issuer) that, while that person was acting in the capacity of director or CEO or CFO of that corporation, was the subject of a cease trade order or similar order or an order that denied the corporation access to any exemption under securities legislation for a period of more than 30 consecutive days.

Brian Kalish served as CEO and a director of Gemoscan, a vertically integrated healthcare company which he reorganized and led through a series of capitalizations and public listings. Gemoscan made an assignment into bankruptcy on January 8, 2016 because it was unable to pay its debts as they became due and could not secure additional financing. Mr. Kalish resigned as CEO of Gemoscan on October 21, 2015 and as a director on January 8, 2016. Scott Wilson was also a director of Gemoscan. Mr. Wilson resigned from his role as director on January 8, 2016.

Stephen Coates is a director of International Zeolite Corp., which was issued a cease trade order on November 2, 2018 by the British Columbia Securities Commission for failure to file its annual financial statements in a timely manner. The order was revoked on December 12, 2018 after the company filed the outstanding documents.

PENALTIES OR SANCTIONS

To the best of the Resulting Issuer's knowledge, no existing or proposed director or officer of the Resulting Issuer, nor any shareholder holding sufficient securities of the Resulting Issuer to materially affect control of the Resulting Issuer has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

PERSONAL BANKRUPTCIES

To the best of the Resulting Issuer's knowledge, no existing or proposed director or officer of the Resulting Issuer, nor any shareholder holding sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, nor any personal holding company of any such person has, within the ten years before the date of this Prospectus become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

CONFLICTS OF INTEREST

The directors of the Resulting Issuer are required by law to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to disclose any interests, which they may have in any project or opportunity of the Resulting Issuer. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Resulting Issuer's knowledge, and other than as disclosed herein, there are no known existing or potential conflicts of interest among the Resulting Issuer, its promoters, directors and officers or other members of management of the Resulting Issuer or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Resulting Issuer and their duties as a director or officer of such other companies.

EXECUTIVE COMPENSATION

The summary compensation table sets out particulars of compensation paid for the fiscal year ended December 31, 2018 and 2019 to the individuals who were NEO's or directors of the Issuer during that period and for the fiscal period ended October 31, 2020 to the individuals who were NEO's or directors of the Company during that period. The Resulting Issuer does not have any other executive officers whose total salary and other compensation during such period exceeded $150,000.

Compensation Discussion and Analysis

The Resulting Issuer's Board of Directors will determine the compensation of its executive officers. In determining compensation, the Board of Directors will consider industry standards and financial situation but does not currently have any formal objectives or criteria. The performance of each executive officer is informally monitored by the Board of Directors, having in mind the business strengths of the individual and the purpose of originally appointing the individual as an officer. The Resulting Issuer is expected to rely solely on the Board of Directors to determine the compensation of the executive officers. In determining compensation, the Board of Directors will consider industry standards and the Resulting Issuer's financial situation without any formal objectives or criteria.

Option-based Awards

Please see "Part III – Information Concerning the Resulting Issuer – Options to Purchase Securities". In considering new grants to executive officers, the Board of Directors considers the number of options, if any, previously granted to each executive officer.

Summary Compensation Table

The following table sets out particulars of compensation paid to the Named Executive Officers and directors of the Issuer for the fiscal year ended December 31, 2018 and 2019.

Name and principal position	**Salary ($)**	**Share-based awards ($)**	**Option-based awards ($)**	**Non-equity incentive plan compensation ($)**		**Pension Value ($)**	**All other compensation ($)**	**Total compensation ($)**
				Annual incentive plans	**Long-term incentive plans**			

Stephen Coates President, CEO and Director	2019 2018	Nil Nil	Nil 1,000,000(1)	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Catherine Beckett Director and Secretary	2020 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Robert Kirtlan Director	2019 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Geoff Kritzinger *CFO*	2020 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

1. On July 5, 2018, the Issuer granted 1,000,000 Issuer Options to GCS exercisable at $0.05 per share for a period of up to 36 months from the issuance date of July 5, 2018. CGS is owned by Stephen Coates, President, Director and CEO of the Issuer. These Issuer Options will be cancelled prior to the completion of the Transaction.

The following table sets out particulars of compensation paid to the Named Executive Officers and directors of the Company for the fiscal period ended October 31, 2020.

Name and principal position	**Salary ($)**	**Share-based awards ($)**	**Option-based awards ($)**	**Non-equity incentive plan compensation ($)**		**Pension Value ($)**	**All other compensation ($)**	**Total compensation ($)**
				Annual incentive plans	**Long-term incentive plans**			
Brian Kalish, CEO, Corporate Secretary and Director	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The following table sets out the anticipated compensation to the Resulting Issuer's CEO, CFO and Directors for the 12-month period after giving effect to the Transaction. Neither the Resulting Issuer nor the Company currently has a management agreement with any Named Executive Officer. The Resulting Issuer anticipates entering into employment contracts with executive officers at such time as the Resulting Issuer determines it has the resources available to pay such cash compensation. Such management agreements and compensation will be approved by the Resulting Issuer's Board of Directors. The Resulting Issuer may also consider share or option-based awards for the Named Executive Officers. Such equity-based compensation will be approved by the Resulting Issuer's Board of Directors.

Name and principal position	**Salary ($)**	**Share-based awards ($)**	**Option-based awards**	**Non-equity incentive plan compensation ($)**		**Pension Value ($)**	**All other compensation ($)**	**Total compensation ($)**
				Annual incentive plans	**Long-term incentive plans**			

Brian Kalish CEO, Corporate Secretary and Director	$110,000	NIL	NIL	NIL	NIL	NIL	NIL	$110,000
Igor Kostioutchenko CFO	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Conor Bill Director	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Stephen Coates Director	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Scott Wilson Director	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

The following table sets out the anticipated option-based compensation to the Resulting Issuer's CEO, CFO and Directors for the 12-month period after giving effect to the Transaction.

	Option-based Awards			
Name	**Number of securities underlying unexercised options** (#)	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)**
Brian Kalish CEO, Corporate Secretary and Director	Nil	N/A	N/A	N/A
Igor Kostioutchenko CFO	Nil	N/A	N/A	N/A
Conor Bill Director	333,333	$0.05	3 years from the date of issuance	N/A
Stephen Coates Director	333,333	$0.05	3 years from the date of issuance	N/A
Scott Wilson Director	333,333	$0.05	3 years from the date of issuance	N/A

Incentive Plan Awards

The following table sets out particulars of the option-based awards, granted to the Named Executive Officers and directors of the Issuer and outstanding as of the date of this Prospectus. The Issuer does not have any share-based awards. The Company has not issued any option or share based-awards.

	Option-based Awards			
Name	**Number of securities underlying unexercised options** (#)	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)**
Stephen Coates President, CEO and Director	1,000,000 Issuer Shares (pre-Issuer Split)	$0.05	1,000,000[(1)]	N/A
Catherine Beckett Director and Secretary	Nil	Nil	Nil	Nil
Robert Kirtlan Director	Nil	Nil	Nil	Nil
Geoff Kritzinger *CFO*	Nil	Nil	Nil	Nil

1. On July 5, 2018, the Issuer granted 1,000,000 Issuer Options to GCS exercisable at $0.05 per share for a period of up to 36 months from the issuance date of July 5, 2018. CGS is owned by Stephen Coates, President, Director and CEO of the Issuer. These Issuer Options will be cancelled prior to the completion of the Transaction.

Please see “Part III – Information Concerning the Resulting Issuer – Options to Purchase Securities” for options anticipated to be held by the officers of the Resulting Issuer.

Incentive plan awards - value vested or earned during the year

The Company and the Issuer have issued any option or share based-awards.

Pension Plan Benefits

It is not anticipated the Resulting Issuer will have any permission or deferred compensation plan in the 12 months following the completion of the Transaction.

Termination and Change of Control Benefits

The Resulting Issuer does not have any contract, agreement, plan or arrangement that provides for payments to the Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Resulting Issuer or a change in a Named Executive Officer's responsibilities other than a consulting agreement in respect of the Chief Financial Officer. The Resulting Issuer anticipates that it will enter into engagement contracts with the certain Named Executive Officers and such contracts may contain termination and change of control benefits. Such contracts will be approved by the Board of Directors of the Resulting Issuer.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus none of the directors and executive officers of the Issuer or the Company, proposed directors and officers for the Resulting Issuer, or associates of such persons is indebted to the Issuer, the Company or another entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or the Company.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee's Charter

The text of the Issuer's audit committee's charter is attached hereto as Appendix "E". It is anticipated that the Resulting Issuer will adopt this charter.

Composition of the Audit Committee

It is anticipated the members of the Audit Committee of the Resulting Issuer will consist of Brian Kalish, Scott Wilson and Conor Bill. All members are financially literate and all of the members other than Brian Kalish are independent.

Relevant Education and Experience

All members of the Audit Committee the Resulting Issuer have been involved with public companies and each has many years of experience as directors or officers of reporting issuers.

Each Audit Committee member has had extensive experience reviewing financial statements. Each member has an understanding of the Resulting Issuer's business and has an appreciation for the relevant accounting principles for that business.

Brian Kalish

Brian is a co-founder and formerly a Director and CEO of Media Central Corporation (CSE: FLYY, FSE:3AT) which he led from inception to being Canada's largest publisher of alternative titles inside of 8 months. He is also the interim CEO of Baron Auto Group, an automobile subprime lender. Prior to MediaCentral, among other initiatives, he served as founding director and president of various specialty finance companies where portfolios grew from start-up to approximately $15 million in capital assets within two years. Prior to this, Brian was a Director and the CEO of Gemoscan Canada, Inc. a vertically integrated healthcare company which he reorganized and led through a series of capitalizations and public listings. Earlier he co-led the acquisition and redevelopment of the Toronto Argonauts Football Club of the Canadian Football League, was Vice President of K2 Pure Solutions a specialty industrial chemical manufacturer, where he led government and public relations in the United States and founded the first interactive point of purchase retail medium in Canada. Brian has a degree in Political Economy from York University in Toronto.

Scott Wilson

Scott is a widely recognized North American health care expert, passionate entrepreneur and public speaker with more than 25 years of experience treating patients as a board-certified chiropractor (Canada and the U.S.). Dr. Scott Wilson is also the founder and chairman of PhysiomedTM, one of Canada's largest franchised networks of interdisciplinary health care clinics with more than 30 clinics in Ontario and British Columbia. Scott is formerly a Director of Media Central Corporation Inc. (CSE: FLYY, FSE:3AT).

Conor Bill

Conor has 20+ years of experience in financial services, establishing and building alternative asset management firms. He held senior roles in both the M&A and wealth management units of Scotia Capital. Previously, Conor was the President & CEO of Artemis Investment Management, which he turned into a $3 billion money management firm running hedge funds and serving ultra-high net worth families in Canada and the U.S. Conor founded and was Managing Partner of Mt. Auburn Capital, a leading Canadian firm specializing in providing financial advisory services to money management businesses. As Managing Director of BluMont Capital, Conor turned around the faltering Canadian investment management business. He founded Lawrence Asset Management, one of Canada's first and most successful hedge funds and alternative asset management businesses, raising over $350M. Conor was the president or CEO of 14 TSX listed companies as well as a director of many other public companies. He has an MBA from the Richard Ivey School of Business, and a BComm and BA in Economics from Queen's University.

Audit Committee Oversight

At no time during the fiscal year completed December 31, 2019 was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board of Directors of the Issuer.

Reliance on Certain Exemptions

At no time since the beginning of the fiscal year ended December 31, 2019 and December 31, 2018 has the Issuer relied on the following exemption: (a) the exemption in section 2.4 (De Minimis Non-audit Services), or (b) the exemption in subsection 6.1.1 (4) (Circumstances Affecting the Business or Operations of the Venture Issuer), (c) the exemption in subsection 6.1.1 (5) (Events Outside Control of Member), (d) the exemption in subsection 6.1.1 (6) (Death, Incapacity or Resignation), or (e) an exemption from this Instrument, in whole or in part, granted under Part 8 (Exemption).

Pre-Approval Policies and Procedures

The audit committee of the Issuer has not adopted specific policies and procedures for the engagement of non-audit services, but all such services will be subject to the prior approval of the audit committee. It is not anticipated that the Resulting Issuer will adopt specific policies and procedures.

External Auditor Service Fees

The aggregate fees billed by the external auditors of the Company for the fiscal period ended October 31, 2020 for the following fees are:

Fiscal Period Ended	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
October 31, 2020	6,000	-	-	3,000

The aggregate fees billed by the external auditors of the Issuer for the fiscal year ended December 31, 2019 and 2018 for the following fees are:

Fiscal Year Ended	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
December 31, 2019	4,150	-	-	-
December 31, 2018	4,000	-	-	-

Other Board Committees

It is not anticipated that the Board of the Resulting Issuer will establish any committee other than its Audit Committee and compensation committee in the 12 months following completion of the Transaction.

Assessments

The Board of the Company and Issuer monitor but do not formally assess the performance of individual Board members or committee members or their contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director is informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board. It is not anticipated that the board of the Resulting Issuer will perform formal assessments of its members in the 12 months following completion of the Transaction.

EXEMPTION

The Resulting Issuer will be a "venture issuer" as defined in NI 52-110 and intends to rely on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

CORPORATE GOVERNANCE DISCLOSURE

The Company intends to propose for adoption by the Board of Directors of the Resulting Issuer certain practices and procedures to ensure that effective corporate governance practices are followed and to ensure that the Board of Directors functions independently of management. The Issuer's disclosure of corporate governance practices pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") is set out below in the form required by Form 58-101F2 – *Corporate Governance Disclosure* (Venture Issuers).

Board of Directors

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from holding shares or securities in the Company. In addition, where a company has a significant shareholder, NI 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the Company or the significant shareholder. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

Orientation and Continuing Education

The Board of the Issuer and the Company have not adopted formal steps to orient new board members. Their continuing education is typically derived from correspondence with their legal counsel to remain up to date with developments in relevant corporate and securities law matters. It is not anticipated that the board of the Resulting Issuer will adopt formal steps in the 12 months following completion of the Transaction.

Ethical Business Conduct

The Board of the Issuer and the Company have not adopted formal guidelines to encourage and promote a culture of ethical business conduct but do promote ethical business conduct by nominating board members they consider ethical, by avoiding or minimizing conflicts of interest and by having a sufficient number of its board members independent of corporate matters. It is not anticipated that the board of the Resulting Issuer will adopt formal guidelines in the 12 months following completion of the Transaction.

Nomination of Directors

The Board of the Issuer and the Company determine new nominees to their respective Boards, although formal processes have not been adopted. The nominees are generally the result of recruitment efforts by the nomination members, including both formal and informal discussions among nomination members. It is not anticipated that the nomination committee of the Resulting Issuer will adopt a formal process to determine new nominees in the 12 months following completion of the Transaction.

Compensation

The Board of the Issuer and the Company decide on compensation for officers and directors based on industry standards and their financial situation. It is anticipated that the Board of the Resulting Issuer will decide as a board the compensation for officers and directors in the 12 months following completion of the Transaction.

Neither the Company or the Issuer have ever retained a compensation consultant or advisor.

Other Board Committees

The Issuer currently does not have any other Board committees with the exception of the audit committee. The Company does not have any Board committees.

Assessments

The Board of the Issuer and the Company do not feel it is necessary to establish a committee to assess the effectiveness of individual Board members. Each Board member of the Issuer and the Company, and each proposed Board member of the Resulting Issuer have considerable experience in the management of companies or public companies, and this is sufficient to meet the current needs of the Company and Issuer. On an annual basis, however, the Board assesses the contributions of each of the individual directors and of the Board as a whole, in order to determine whether each is functioning effectively.

The Board of the Issuer is currently comprised of three directors and it is anticipated the Board of Directors of the Resulting Issuer will be composed of four, two of whom are expected to be independent (as that term is defined in Section 1.2 of NI 58-101), namely Scott Wilson and Conor Bill. Brian Kalish will not be independent as he will be the Chief Executive Officer and Corporate Secretary of the Resulting Issuer. Stephen Coates will not be independent as he is currently the CEO and a director of the Issuer.

PART IV RISK FACTORS

General

The following are certain factors relating to the Transaction and business of the Resulting Issuer assuming completion of the Transaction, which factors investors should carefully consider when making an investment decision concerning the Resulting Issuer Shares of the Resulting Issuer. These risks and uncertainties are not the only ones facing the Resulting Issuer.

Additional risks and uncertainties not presently known to the Resulting Issuer currently deemed immaterial, may also impair the operations of the Resulting Issuer. If any such risks actually occur, shareholders could lose all or part of their investment and the financial condition, liquidity and results of operations of the Resulting Issuer could be materially adversely affected and the ability of the Resulting Issuer to implement its growth plans could be adversely affected. A purchase of any of the securities of the Resulting Issuer involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Resulting Issuer should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should carefully evaluate the following risk factors associated with an investment in the Resulting Issuer's securities prior to purchasing any of the securities.

An investment in the Resulting Issuer will be subject to certain material risks and investors should not invest in securities of the Resulting Issuer unless they can afford to lose their entire investment. The following is a description of certain risks and uncertainties that may affect the business of the Resulting Issuer.

Negative Impact of COVID-19 outbreak

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Resulting Issuer to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Resulting Issuer's business.

Business Interruption Risks

The Resulting Issuer may be impacted by business interruptions resulting from pandemics and public health emergencies, including those related to the COVID-19 pandemic. An outbreak of infectious disease, a pandemic or a similar public health threat, such as the recent outbreak of COVID-19, or a fear of any of the foregoing, could adversely impact the Resulting Issuer. It is unknown whether and how the Resulting Issuer may be affected if such an epidemic persists for an extended period of time. The Resulting Issuer may incur expenses or delays relating to such events outside of its control, which could have a material adverse impact on its business, operating results and financial condition.

Risks related to the Transaction

Developmental Stage with little operating history

As the Resulting Issuer has yet to begin to generate revenue, it is extremely difficult to make accurate predictions and forecasts of its finances. This is compounded by the fact the Resulting Issuer intends to operate in the technology industry, which is rapidly transforming. There is no guarantee that the Resulting Issuer's products or services will be attractive to potential consumers. The Resulting Issuer is therefore subject to many of the risks common to early- stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Resulting Issuer will be successful in achieving a return on shareholders' investment and likelihood of success must be considered in light of the early stage of operations.

Going Concern

The Resulting Issuer's ability to continue as a going concern depends on its ability to either generate sufficient revenues or to secure sufficient financing, whether debt or equity, to sustain its continued operations. There can be no assurance that the Resulting Issuer can obtain such revenues or financing on commercially favourable terms and there is therefore no guarantee that the Resulting Issuer will be able to sustain its ongoing operations in the future.

Competition

Many other businesses in Canada engage in similar activities to the Resulting Issuer, developing and commercialising remote work technologies to similar customers. The Resulting Issuer cannot assure you that it will be able to compete successfully against current and future competitors. Current and new competitors may have better capitalization, a longer operating history, more expertise and able to develop higher quality equipment or products, at the same or a lower cost. The Resulting Issuer cannot provide assurances that it will be able to compete successfully against current and future competitors. Competitive pressures faced by the Resulting Issuer could have a material adverse effect on its business, operating results and financial condition.

No Assurance of Immediate Revenue

There is no assurance as to whether the Resulting Issuer will be profitable, earn revenues, or pay dividends. The Resulting Issuer anticipates that it will incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, the Resulting Issuer's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

Uncertainty of Revenue Growth.

There can be no assurance that the Resulting Issuer can generate revenue growth, or that any revenue growth that is achieved can be sustained. Revenue growth that the Resulting Issuer may achieve may not be indicative of future operating results. In addition, the Resulting Issuer may increase further its operating expenses in order to fund higher levels of research and development, increase its sales and marketing efforts and increase its administrative resources in anticipation of future growth. To the extent that increases in such expenses precede or are not subsequently followed by increased revenues, the Resulting Issuer's business, operating results and financial condition will be materially adversely affected.

Development of New Products.

The Resulting Issuer’s success will depend, in part, on its ability to develop, introduce and market new and innovative products. If there is a shift in consumer demand, the Resulting Issuer must meet such demand through new and innovative products or else its business will fail. The Resulting Issuer’s ability to develop, market and produce new products is subject to it having substantial capital. There is no assurance that the Resulting Issuer will be able to develop new and innovative products or have the capital necessary to develop such products.

Technology cannot be effectively commercialized

There is a risk that the technology and the Resulting Issuer's products will not perform as expected in certain applications and therefore, the Resulting Issuer may encounter delays to commercialization or may run the risk that the technologies will never be successfully commercialized. This means that the Resulting Issuer may never receive revenues or return on its technology development.

Technical Risks

Technical risks are inherent in the development and commercialization process, in that an immature technology could present unexpected challenges that exceed the planned time or financial resources to overcome. There can be no guarantee that the Resulting Issuer will be able to overcome technical risks associated with the development of its technology.

Technology Risks

The Resulting Issuer’s products and services are dependent upon advanced technologies which are susceptible to rapid technological change. There can be no assurance that the Resulting Issuer’s products and services will not be seriously affected by, or become obsolete as a result of, such technological changes. Further, some of the Resulting Issuer’s products are currently under development and there can be no assurance that these development efforts will result in a viable product as conceived by the Resulting Issuer or at all.

Our Technology May be Unable to Achieve Broad Market Acceptance

Even when product development is successful, our ability to generate significant revenue and profits depends on the acceptance of our products by our customers and end users of the products, such as companies or individuals purchasing vehicles incorporating our technology. The market acceptance of any product depends on a number of factors, including but not limited to awareness of a product's availability and benefits, the price and cost-effectiveness of our products relative to competing products; general competition, and the effectiveness of marketing and distribution efforts. Any factors preventing or limiting the market acceptance of our technology could have a material adverse effect on our business, results of operations and financial condition.

Emerging Products and Technology

The market for Resulting Issuer’s products continues to evolve and continued growth and demand for, and acceptance of, these products remains uncertain. In addition, other emerging technology and products may impact the viability of the market for Resulting Issuer’s products. Resulting Issuer’s continued success will depend upon its ability to keep pace with technological and marketplace change and to introduce, on a timely and cost-effective basis, new and enhanced products that satisfy changing customer requirements and achieve market acceptance. There can be no assurance that the Reporting Issuer will be able to respond effectively to changes in technology or customer demands. Moreover, there can be no assurance that Resulting Issuer’s competitors will not develop competitive products or that any such products will not have an adverse effect upon Resulting Issuer’s business, financial condition or results of operations.

Obsolescence

Maintaining a competitive position requires constant growth, development and strategic marketing and planning. If the Resulting Issuer is unable to maintain a technological advantage, the Issuer's ability to grow its business will be adversely affected and its products may become obsolete compared with other technologies.

Key Personnel

The Resulting Issuer's success has depended and continues to depend upon its ability to attract and retain key management, including the Resulting Issuer's officers and technical experts. The Resulting Issuer will attempt to enhance its management and technical expertise by continuing to recruit qualified individuals who possess desired skills and experience in certain targeted areas. The Resulting Issuer's inability to retain employees and attract and retain sufficient additional employees or engineering and technical support resources could have a material adverse effect on the Resulting Issuer's business, results of operations, sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of the Resulting Issuer, results of operations of the business and could limit the Resulting Issuer's ability to develop and market its work remotely related products. The loss of any of the Resulting Issuer's senior management or key employees could materially adversely affect the Resulting Issuer's ability to execute the Resulting Issuer's business plan and strategy, and the Resulting Issuer may not be able to find adequate replacements on a timely basis, or at all.

Management of Growth

The Resulting Issuer may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Resulting Issuer to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train, and manage its employee base. The inability of the Resulting Issuer to deal with this growth may have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations and prospects.

Dependence on suppliers and skilled labour

The ability of the Resulting Issuer to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Resulting Issuer will be successful in maintaining its required supply of skilled labour, equipment, parts and components.

Conflicts of Interest.

Certain directors and officers of the Resulting Issuer are or may become associated with other companies in the same or related industries which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Resulting Issuer are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Resulting Issuer. The directors and officers of the Resulting Issuer have either other full-time employment or other business or time restrictions placed on them and accordingly, the Resulting Issuer will not be the only business enterprise of these directors and officers.

Research and Development

We believe that we must continue to dedicate a significant amount of resources to our research and development efforts to maintain and develop our solutions and maintain and enhance our competitive position. We recognize the costs associated with these research and development investments earlier than the anticipated benefits, and the return on these investments may be lower, or may develop more slowly, than we expect. If we spend significant resources on research and development and are unable to generate an adequate return on our investment, our business, financial condition and results of operations may be materially and adversely affected.

Financial Reporting and Internal Controls

Upon the completion of the listing, Resulting Issuer will become subject to reporting and other obligations under Applicable Securities Laws and exchange rules. These reporting and other obligations will place significant demands on Resulting Issuer's management, administrative, operational and accounting resources. In order to meet such requirements, Resulting Issuer is working with its legal, accounting and financial advisors to identify areas in which changes should be made to Resulting Issuer's financial management control systems. These areas include corporate governance, corporate controls, internal audit, disclosure controls and procedures and financial reporting and accounting systems. Resulting Issuer has made, and will continue to make, changes in these and other areas, including Resulting Issuer's internal controls over financial reporting. If Resulting Issuer is unable to accomplish any such necessary objectives in a timely and effective fashion, its ability to comply with its financial reporting requirements and other rules that apply to reporting issuers could be impaired. Moreover, any failure to maintain effective internal controls could cause Resulting Issuer to fail to meet its reporting obligations or result in material misstatements in its financial statements. If Resulting Issuer cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially harmed which could also cause investors to lose confidence in the reported financial information, which could lower share prices. There can be no assurance that internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within the Resulting Issuer are detected. The inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of some persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Intellectual Property.

The Resulting Issuer’s ability to compete effectively will depend, in part, on its ability to maintain the proprietary nature of its brand and its product creation processes. The Resulting Issuer has adopted procedures to protect its intellectual property and licensed intellectual property and maintain secrecy of its confidential business information and trade secrets. However, there can be no assurance that such procedures will afford complete protection of such intellectual property, confidential business information and trade secrets. There can be no assurance that the Resulting Issuer’s competitors will not independently develop technologies that are substantially equivalent or superior to the Resulting Issuer’s technology. To protect the Resulting Issuer’s intellectual property, it may become involved in litigation, which could result in substantial expenses, divert the attention of its management, cause significant delays and materially disrupt the conduct of its business. The Resulting Issuer may also inadvertently infringe others intellectual property and be subject to litigation in respect of same.

Intellectual Property Litigation

The Resulting Issuer may be forced to litigate to enforce or defend its intellectual property rights, to protect its trade secrets or to determine the validity and scope of other parties’ proprietary rights. Any such litigation could be very costly and could distract its management from focusing on operating the Resulting Issuer’s business. The existence and/or outcome of any such litigation could harm the Resulting Issuer’s business.

Ability to Obtain and Retain Any Relevant Licenses.

If we breach the License Agreement or any of the other agreements under which we acquired, or will acquire, the intellectual property rights, we could lose the ability to continue the development and commercialization of the related product candidates.

If we fail to meet our obligations under these agreements, our licensors may have the right to terminate our licenses. If any of our license agreements are terminated, and we lose our intellectual property rights under such agreements, this may result in a complete termination of our product development and any commercialization efforts for the product candidates which we are developing under such agreements. While we would expect to exercise all rights and remedies available to us, including seeking to cure any breach by us, and otherwise seek to preserve our rights under such agreements, we may not be able to do so in a timely manner, at an acceptable cost or at all.

Disputes may also arise between us and our licensors regarding intellectual property subject to a license agreement, including those related to:

- the scope of rights granted under the license agreement and other issues relating to interpretation of the relevant agreement;
- whether and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the license granted to us;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;
- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our product candidates, and what activities satisfy those diligence obligations; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors, on the one hand, and us and our sublicensees, on the other hand.

No Established Market.

There is currently no market through which the Resulting Issuer's securities may be sold and purchasers may not be able to resell the Resulting Issuer Shares purchased under this Prospectus. An active public market for the Resulting Issuer Shares might not develop or be sustained after this offering. Even if a market develops, there is no assurance that the price of the Resulting Issuer Shares offered under this Prospectus, will reflect the prevailing market price of the Resulting Issuer Shares following this offering. If an active public market for the Resulting Issuer Shares does not develop, the liquidity of a shareholder's investment may be limited, and the Resulting Issuer Share price may decline below the initial public offering price. The holding of Resulting Issuer Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. The Resulting Issuer Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Lack of Active Market

There can be no assurance that an active market for the Resulting Issuer Shares will continue and any increased demand to buy or sell the Resulting Issuer Shares can create volatility in price and volume.
Any return on investment from the Resulting Issuer Shares is not guaranteed.

There can be no assurance regarding the amount of return to be generated by the Resulting Issuer's investments. The Resulting Issuer Shares are equity securities of the Resulting Issuer and are not fixed income securities. Unlike fixed-income securities, there is no obligation of the Resulting Issuer to distribute to shareholders a fixed amount or to return the initial purchase price of a Resulting Issuer Share on a date in the future. The market value of the Resulting Issuer Shares will deteriorate if the Resulting Issuer is unsuccessful in its investments, and that deterioration may be significant.

There is a risk of dilution from possible future offerings of Resulting Issuer Shares.

The Resulting Issuer may issue additional securities from time-to-time to raise funding for its business, and such issuances may be dilutive to existing shareholders.

Speculative Nature of Investment Risk

An investment in the Resulting Issuer Shares of the Resulting Issuer carries a high degree of risk and should be considered as a speculative investment by purchasers. The Resulting Issuer has a limited history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The Resulting Issuer is in the development and early commercialization stage. Operations are not yet sufficiently established such that the Resulting Issuer can mitigate the risks associated with planned activities.

Dividends

The Resulting Issuer has no earnings or history of paying dividends, and does not anticipate paying any dividends in the foreseeable future. In the event that the Resulting Issuer were to pay dividends such dividends would be subject to tax and potentially, statutory withholdings.

Global Economic Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital equity or debt financing more difficult. Access to financing has been negatively impacted by the ongoing global economic risks. As such, the Resulting Issuer is subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Resulting Issuer's ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Resulting Issuer. If uncertain market conditions persist, the Resulting Issuer's ability to raise capital could be jeopardized, which could have an adverse impact on the Resulting Issuer's operations and trading price of the Resulting Issuer Shares on the stock exchange.

Economic Environment

The Resulting Issuer's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Resulting Issuer's sales and profitability. As well, general demand for banking services and alternative banking or financial services cannot be predicted, and future prospects of such areas might be different from those predicted by the Resulting Issuer's management.

Risks Associated with Acquisitions

As part of the Resulting Issuer's overall business strategy, the Resulting Issuer may pursue select strategic acquisitions after the completion of the Listing, which would provide additional product offerings, vertical integrations, additional industry expertise, and a stronger industry presence in both existing and new jurisdictions. Future acquisitions may expose it to potential risks, including risks associated with: (a) the integration of new operations, services and personnel; (b) unforeseen or hidden liabilities; (c) the diversion of resources from the Issuer's existing business and technology; (d) potential inability to generate sufficient revenue to offset new costs; (e) the expenses of acquisitions; or (f) the potential loss of or harm to relationships with both employees and existing users resulting from its integration of new businesses. In addition, any proposed acquisitions may be subject to regulatory approval.

Requirements for Further Financing

The Resulting Issuer will apply for listing on the CSE. The Issuer may need to obtain further financing, whether through debt financing, equity financing or other means. There can be no guarantee that the Resulting Issuer Resulting Issuer Shares will be listed on any stock exchange. The Resulting Issuer must obtain such financing through a combination of equity and debt financing and there can be no assurance that the Issuer can raise the required capital it needs to build and expand its current operations, nor that the capital markets will fund the business of the Resulting Issuer. Without this additional financing, the Issuer may be unable to achieve positive cash flow and earnings as quickly as anticipated. There can be no certainty that the Resulting Issuer can obtain these funds, in which case any investment in the Resulting Issuer may be lost. The raising of equity funding would also result in dilution of the equity of the Resulting Issuer's shareholders.

Financial Projections May Prove Materially Inaccurate or Incorrect

The Resulting Issuer's financial estimates, projections and other forward-looking information in this document were prepared by the Issuer without the benefit of reliable historical industry information or other information customarily used in preparing such estimates, projections and other forward-looking statements. Such forward-looking information is based on assumptions of future events that may or may not occur, which assumptions may not be disclosed in such documents. Investors should inquire of the Issuer and become familiar with the assumptions underlying any estimates, projections or other forward-looking statements. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events.

There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in expenses, changes or shifts in regulatory rules, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition.

Operational Risks

The Resulting Issuer will be affected by a number of operational risks and the Resulting Issuer may not be adequately insured for certain risks, including: labour disputes; catastrophic accidents; fires; blockades or other acts of social activism; changes in the regulatory environment; impact of non-compliance with laws and regulations; natural phenomena, such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in personal injury or death, environmental damage, adverse impacts on the Resulting Issuer's operation, costs, monetary losses, potential legal liability and adverse governmental action, any of which could have an adverse impact on the Issuer's future cash flows, earnings and financial condition. Also, the Resulting Issuer may be subject to or affected by liability or sustain loss for certain risks and hazards against which the Resulting Issuer cannot insure or which the Resulting Issuer may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Issuer's future cash flows, earnings, results of operations and financial condition.

Risks Related to Software and Product Development

The Resulting Issuer continues to develop software and products. Inherent risks include:

(i) Lack of experience and commitment of team

The project manager is the leader and the most responsible person. An inexperienced manager can jeopardize the completion of a project.

(ii) Unrealistic deadlines

Software projects may fail when deadlines are not properly set. Project initialization, completion date and time must be realistic.

(iii) Improper budget

Cost estimation of a project is very crucial in terms of project success and failure. Low cost with high expectations of large projects may cause project failure.

(iv) Lack of resources

Software and hardware resources may not be adequate. Lack of resources in terms of manpower is also a critical risk factor of software failure.

(v) Personnel hiring

The Resulting Issuer and Resulting Issuer will be subject to extensive hiring requirements across all of its business lines as well as a need to release underperforming employees in order to perform and grow at the rate it intends. Staffing requirements may not be properly attained or assigned for/to specific tasks or Resulting Issuer needs.

(vi) Understanding problems of customers

Many customers are not technical in terms of software terminologies and may not understand the developer's point of view. Developers may interpret information differently from what is provided by the clients.

(vii) Inappropriate design

Software designers have a major role in the success or failure of the project if a design is inappropriate for the project.

(viii) Market demand obsolete

Market demand may become obsolete while a project is still in progress.

User Data

The Resulting Issuer may require the registration of its users prior to accessing its products or services or certain features of its products or services and the Resulting Issuer may be subject to increased legislation and regulations on the collection, storage, retention, transmission and use of user-data that is collected. The Resulting Issuer's efforts to protect the personal information of its users may be unsuccessful due to the actions of third parties, software bugs or technical malfunctions, employee error or malfeasance, or other factors. In addition, third parties may attempt to fraudulently induce employees or users to disclose information in order to gain access to the Resulting Issuer's data or the Resulting Issuer's users' data. If any of these events occur, users' information could be accessed or disclosed improperly. Any incidents involving the unauthorized access to or improper use of the information of users or incidents involving violation of the Resulting Issuer's terms of service or policies could damage its reputation and brand and diminish its competitive position.

Failure to Protect Personal Information

A wide variety of provincial, state, national, and international laws and regulations apply to the collection, use, retention, protection, disclosure, transfer, and other processing of personal data. These data protection and privacy-related laws and regulations are evolving and being tested in courts and may result in ever-increasing regulatory and public scrutiny as well as escalating levels of enforcement and sanctions. Any actual or perceived loss, improper retention or misuse of certain information or alleged violations of laws and regulations relating to privacy, data protection and data security, and any relevant claims, could result in enforcement action against us, including fines, imprisonment of Resulting Issuer officials and public censure, claims for damages by customers and other affected individuals, damage to our reputation and loss of goodwill (both in relation to existing customers and prospective customers), any of which could have an adverse effect on our operations, financial performance, and business. Any perception of privacy or security concerns or an inability to comply with applicable laws, regulations, policies, industry standards, contractual obligations or other legal obligations, even if unfounded, may result in additional cost and liability to us, harm our reputation and inhibit adoption of our products by current and future customers, and adversely affect our business, financial condition, and operating results. We have implemented and maintain security measures intended to protect personally identifiable information. However, our security measures remain vulnerable to various threats posed by hackers and criminals. If our security measures are overcome and any personally identifiable information that we collect or store becomes subject to unauthorized access, we may be required to comply with costly and burdensome breach notification obligations. We may also be subject to investigations, enforcement actions and private lawsuits. In addition, any data security incident is likely to generate negative publicity and have a negative effect on our business.

Effective Operating and Scaling of Technology

The Resulting Issuer's ability to provide products and services to customers is dependent on its information technology systems. If the Resulting Issuer is unable to manage and scale the technology associated with its business effectively, the Resulting Issuer could experience increased costs, reductions in system availability and losses of network participants.

Material defects or errors in the Resulting Issuer's technology infrastructure could harm the Resulting Issuer's reputation, result in significant costs to the Resulting Issuer and impair its ability to sell its services. Software developed for the Resulting Issuer's technology can contain errors, defects, security vulnerabilities or software bugs that are difficult to detect and correct, particularly when first introduced. Despite internal testing, the Resulting Issuer's technology may contain serious errors or defects that cause performance problems or service interruptions, security vulnerabilities or software bugs that the Resulting Issuer may be unable to successfully correct in a timely manner, or at all, which could result in:

- unexpected credits or refunds to the Resulting Issuer's clients, loss of clients and other potential liabilities;
- delays in client payments, increasing the Resulting Issuer's collection reserve and collection cycle;
- diversion of development resources and associated costs;
- harm to the Resulting Issuer's reputation and brand; and
- unanticipated litigation costs

Data Security and Hacking

Increasingly, organizations are subject to a wide variety of attacks on their networks. In addition to traditional computer "hackers," malicious code (such as viruses and worms), employee theft or misuse, denial of service attacks, ransomware, malware and sophisticated government and government-supported actors now engage in incidents and attacks (including advanced persistent threat intrusions), and add to the risks to our internal networks and the information they store, manage and process. It is virtually impossible for Absolute to entirely mitigate these risks (especially as it relates to unlicensed or outdated versions of our product or agent). Any such security incident or breach could compromise our networks, creating system disruptions or slowdowns and exploiting security vulnerabilities of our products, and the information stored on our networks could be accessed, publicly disclosed, lost, or stolen, which could subject us to liability and cause us financial harm. These breaches, or any perceived breach, may also result in damage to our reputation, negative publicity (through research reports or otherwise), loss of partners, end-customers and sales, increased costs to remedy any problem, and costly litigation and may result in the Resulting Issuer's business, operating results and financial condition being materially adversely affected.

Risk of Safeguarding Against Security & Privacy Breaches

A security or privacy breach could:

(i) expose the Resulting Issuer to additional liability and to potentially costly litigation;
(ii) increase expenses relating to the resolution of these breaches;
(iii) deter potential customers from using our services; and
(iv) decrease market acceptance of electronic commerce transactions.

As a provider of software technology, the Resulting Issuer is at risk of exposure to a security or privacy breach of its system which could lead to potentially costly litigation, deter potential customers from using its services, or bring about additional liability of the Resulting Issuer. The Resulting Issuer cannot confirm that the use of applications designed for data security and integrity will address changing technologies or the security and privacy concerns of existing and potential customers. Although the Resulting Issuer requires that agreements with service providers who have access to sensitive data include confidentiality obligations that restrict these parties from using or disclosing any data except as necessary to perform their services under the applicable agreements, there can be no assurance that these contractual measures will prevent the unauthorized disclosure of information.

PART V- OTHER MATTERS

PROMOTERS

The founder of the Company, Brian Kalish, Chief Executive Officer and director of the Company, is considered to be a Promoter of the Company. Mr. Kalish holds 2,000,000 Company Shares.

Brian Kalish served as CEO and a director of Gemoscan, a vertically integrated healthcare company which he reorganized and led through a series of capitalizations and public listings. Gemoscan made an assignment into bankruptcy on January 8, 2016 because it was unable to pay its debts as they became due and could not secure additional financing. Mr. Kalish resigned as CEO of Gemoscan on October 21, 2015 and as a director on January 8, 2016.

Other than as disclosed in this section and under "Executive Compensation" or elsewhere in this Prospectus, no person who was a Promoter of the Company within the last two years:

1. received anything of value directly or indirectly from the Company or a subsidiary;

2. sold or otherwise transferred any asset to the Company or a subsidiary within the last 2 years;

3. has been a director, officer or promoter of any company that during the past 10 years was the subject of a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;

4. has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;

5. has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or

6. has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Issuer is not a party to any legal proceedings and is not aware of any such proceedings known to be contemplated. Management of the Issuer is not aware that the Issuer is a party to any legal proceedings or that any such proceedings are known to be contemplated.

The Company is not a party to any legal proceedings and is not aware of any such proceedings known to be contemplated. Management of Company is not aware that the Company is a party to any legal proceedings or that any such proceedings are known to be contemplated.

No penalties or sanctions have been imposed against the Issuer by a court relating to provincial and territorial securities legislation or by a securities regulatory body within the three years immediately preceding the date of this Prospectus. Management of the Issuer is not aware of any such penalties or sanctions imposed against the Issuer.

No penalties or sanctions have been imposed against Company by a court relating to provincial, state and territorial securities legislation or by a securities regulatory body within the three years immediately preceding the date of this Prospectus. Management of Company is not aware of any such penalties or sanctions imposed against Company.

The Issuer has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this Prospectus. Management of the Issuer is not aware of any such settlement agreements entered into by the Issuer.

Company has not entered into any settlement agreements before a court relating to provincial, state and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this Prospectus. Management of Company is not aware of any such settlement agreements entered into by Company.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth in this Prospectus, the management of the Issuer and Company are not aware of any material interest, direct or indirect, of any director, executive officer, any person or Company beneficially owning, controlling or directing, directly or indirectly, more than ten (10%) percent of the Resulting Issuer's outstanding voting securities, or any associate or affiliate of the foregoing persons, in any transaction in which the Issuer has participated within the three years before the date of this Prospectus, that has materially affected or is reasonably expected to materially affect the Resulting Issuer.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

The auditor of the Issuer and the Company is Clearhouse LLP, located at 2560 Matheson Blvd E #527, Mississauga, ON L4W 4Y9. Upon completion of the Transaction and as of the date of this Prospectus, it is proposed that the Resulting Issuer's auditor will be the Issuer's and the Company's current auditor, Clearhouse LLP.

Registrar and Transfer Agent

The transfer agent and registrar for the Issuer Shares is Capital Transfer Agency ULC, 309 Bay Street, Suite 920, Toronto, Ontario, M5H 2Y2, and Computershare Investor Services Inc. will continue as transfer agent and registrar of the Resulting Issuer upon Completion of the Transaction.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Issuer or the Company within two years prior to the date hereof which are currently in effect and considered to be currently material:

1. the Business Combination Agreement;
2. the IP License Agreement; and
3. the Software Development Agreement.

PART VI – EXPERTS

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document or report described in the Prospectus:

- Clearhouse LLP

Interest of Experts

To the knowledge of management, as of the date hereof, no expert, nor any associate or affiliate of such person has any beneficial interest, direct or indirect, in the securities or property of the Issuer, the Company or the Resulting Issuer or of an associate or affiliate of any of them, and no such person is or is expected to be elected, appointed or employed as director, officer or employee of Issuer, Company or the Resulting Issuer or of an associate or affiliate thereof.

APPENDIX A

ISSUER AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

10557536 CANADA CORP.

Annual Audited Financial Statements

As at and for the years ended

December 31, 2019 and 2018

(Stated in $CAD)

CLEARHOUSE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
10557536 Canada Corp.

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of 10557536 Canada Corp. (the Company), which comprise the statements of financial position as at December 31, 2019 and 2018, and the statements of net loss and comprehensive loss, statements of cash flows and statements of changes in equity for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

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

Material Uncertainty Relating to Going Concern
We draw your attention to Note 1 in the financial statements, which indicates that the Company incurred a comprehensive loss of $43,392 during the year ended December 31, 2019. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon
Management is responsible for the other information. The other information comprises the annual management's discussion and analysis, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the 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.

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

Clearhouse LLP

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
April 27, 2020

10557536 CANADA CORP.

Statement of Financial Position

(Stated in $CAD)

As at		Dec 31, 2019		Dec 31, 2018
ASSETS				
Current:				
Cash	$	**317**	$	2,424
Accounts receivable (Note 9)		**5,400**		5,180
Total current assets		**5,717**		7,604
Long term:				
My Wine Canada Inc. LOI (Note 4)		**1**		1
	$	**5,718**	$	7,605
LIABILITIES				
Current:				
Due to related parties (Note 11)	$	**30,185**	$	27,860
Subscription Receipts (Note 5)		**5,000**		5,000
Accounts payable and accrued liabilities (Note 10)		**72,467**		21,267
		107,652		54,127
SHAREHOLDERS' DEFICIENCY				
Common shares (Note 5)		**20,688**		1
Reserve for warrants (Note 5)		**4,313**		-
Accumulated deficit	$	**(126,935)**	$	(46,523)
		(101,934)		(46,522)
	$	**5,718**	$	7,605

Going concern (Note 1)
Commitments and contractual obligations (Note 12)
Subsequent events (Note 14)

The accompanying notes form an integral part of these annual audited financial statements

Approved on behalf of the Board:

"Stephen Coates" Director

10557536 CANADA CORP.

Statements of Changes in Equity
(Stated in $CAD)

	Note	Common shares		Warrants	Accumulate d deficit	Total
		No. of shares	Amoun t			
			$	$	$	$
As at December 27, 2017						
LOI	5.2(b)	2,499,996	1	-	-	1
Net loss and comprehensive loss for period			-	-	(46,523)	(46,523)
As at December 31, 2018		**2,499,996**	**1**	-	**(46,523)**	**(46,522)**
Issued for cash	5.2(d)	250,000	20,687	4,313		25,000
Net loss and comprehensive loss for period					(80,413)	(80,413)
As at December 31, 2019		**2,749,996**	**20,688**	**4,313**	**(126,936)**	**(101,935)**

The accompanying notes form an integral part of these annual audited financial statements

10557536 CANADA CORP.
Notes to Annual Audited Financial Statements
Years ended December 31, 2019 and 2018
(Stated in $CAD)

1. NATURE OF OPERATIONS AND GOING CONCERN

(a) **Nature of operations**

10557536 Canada Corp. (the "Company" or "10557536") was incorporated on December 27, 2017 under the Canada Business Corporations Act with its head office located at 401 Bay Street, Suite #2100, Toronto, Ontario, Canada, M5H 2Y4. The Company, as a reporting issuer in the provinces of British Columbia, Alberta and Manitoba, is subject to the rules and regulations of the relative provincial securities commissions, but its shares do not trade on any stock exchange.

The Company has no current active business operations and its principal purpose is the identification and evaluation of assets or businesses for the purpose of completing a transaction ("Qualifying Transaction") such that the Company's shares can be approved for listing and trading on a recognized Canadian stock exchange. Where a Qualifying Transaction is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon its ability to obtain additional financing. There is no assurance that the Company will be able to complete a Qualifying Transaction or that it will be able to secure the necessary financing to complete a Qualifying Transaction.

Under the terms of a Plan of Arrangement approved by the Ontario Superior Court of Justice on March 26, 2018, the Company acquired substantially all the rights and interests in a Letter of Intent ("LOI") between Telferscot Resources Inc. ("Telferscot") and My Wine Canada Inc. ("MWC") *(see note 5)*. As consideration for acquisition of this LOI, 10557536 issued 2,499,996 common shares to Telferscot, which were then distributed to the current shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot.

(b) **Going concern**

The accompanying annual audited financial statements ("Financial Statements") have been prepared using International Financial Reporting Standards applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern. It would, in this situation, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying Financial Statements. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(d) Cash

Cash consists of deposits held with banks.

(e) Accounts receivable

Accounts receivable consist primarily of recoverable HST ITCs.

(f) Accounts payable and accrued liabilities

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period end. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(g) Share capital

Common shares issued in exchange for goods and services are recorded at an amount based on the fair market value of the common shares just prior to the date of issuance. Common shares issued in private placements, in conjunction with common share purchase warrants, are recorded using the residual method, whereby the proceeds of the private placement are allocated first to the common shares at the lesser of the common share's fair value and the gross proceeds of the private placement, with any residual amounts then being allocated to the common share purchase warrants. Share issuance expenses are applied against share capital.

(h) Share-based payments

The fair value of any share-based payment granted to directors, officers, employees and consultants is recorded over the vesting period of the award as an expense or a component of exploration and evaluation assets or property, plant and equipment based on the nature of the services for which it was awarded with a corresponding increase recorded to contributed surplus. Share-based payments for directors, officers and employees are valued at the grant date whereas consultants' share-based payments are valued as the goods and services are received from the recipient. If the fair value of the goods and services received cannot be estimated reliably the Black-Scholes pricing model is used. Fair value of stock options for directors, officers and employees is determined using the Black-Scholes option pricing model utilizing management's assumptions as described in note 6. Fair value of share-based payments for consultants is determined based on the fair value of the goods and services received and requires management to make estimates of the value of the goods and services received. Upon exercise of a share option, consideration paid by the share option together with the amount previously recognized in reserve for share-based payments is recorded as an increase to share capital. For those share-based payments that expire or are forfeited after vesting, the recorded value is transferred to deficit.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(k) **Critical accounting estimates and judgements**

The preparation of these Financial Statements requires the Company to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the Company's reported amounts of assets, liabilities, revenues and other items in net earnings, and the related disclosure of contingent assets and liabilities, if any. The Company evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of revenues and other items in net earnings that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Information about critical judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statement are discussed below:

Going concern

The assessment of the Company's ability to continue as a going concern involves judgement regarding future funding available for its planned RTO and working capital requirements.

Use of estimates

The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. Significant estimates include the valuation of share options using the Black-Scholes pricing model conditions and the fair value of the common shares issued pursuant to the Plan of Arrangement (see note 5).

(l) **Financial instruments**

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

2. **SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Fair value

The determination of the fair value of financial assets and liabilities, for which there is no observable market price, requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective as such it requires varying degrees of judgment. The use of judgment in valuing financial instruments includes assessing qualitative factors such on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the particular instrument.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs derived either directly or indirectly from market prices. This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted market prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted market prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Impairment of financial assets

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

Effective interest method

The effective interest method calculates the amortized cost of a financial instrument asset or liability and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset or liability, or where appropriate, a shorter period. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

4. **MY WINE CANADA INC.**

Under the terms of a Plan of Arrangement approved by the Ontario Superior Court of Justice on March 26, 2018, the Company acquired substantially all the rights and interests in a Letter of Intent ("LOI") between Telferscot and MWC, and accordingly would assume the position of Telferscot with respect to the LOI. As consideration for its acquisition, 10557536 issued 2,499,996 common shares to Telferscot, which were then distributed to the current shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot *(see note 5(b))*. The LOI has been assigned a nominal value of $1.

Telferscot has an agreement with MWC to develop a consumer facing web portal for online sales of Canadian wine and spirits direct from Canadian producers to Canadian consumers. MWC is looking for a joint-venture partner to fund the development and deployment of a new site for the regulated sales of cannabis in Canada to be known as QuickLeaf.

On October 9, 2018, the Company agreed to provide up to $75,000 in funding to My Wine Canada which will made available in stages with the following understanding:

i) Initial Tranche – up to $25,000 -This tranche of funding will be made available starting immediately and is agreed to be effectively an "exclusivity fee" to secure the potential acquisition or assumption of QuickLeaf by us from My Wine Canada. Such acquisition or assumption to be subject to agreement on final terms between the two parties.

ii) Intermediary Tranche – up to $25,000 - This tranche will be subject to the Company's ability to raise further capital and is agreed to be credited toward the cost of acquisition or assumption of QuickLeaf by the Company from My Wine Canada, as/if/when final terms are agreed. In the event that terms are not agreed, this tranche or any part thereof will be repayable to the Company by My Wine Canada only at such time as My Wine Canada has managed to realise value for QuickLeaf either on its own or by way of sale, joint venture, third party funding or any other means by which value for QuickLeaf has been established.

iii) Final Tranche – up to $75,000 in total funding, including the amounts funded under the Initial and Intermediary Tranches. This tranche may only follow the Intermediary Tranche and is intended to fund the beta testing of the QuickLeaf website. In other words, this funding will be made available only at such time as the design and development work on QuickLeaf is completed to a point where real-world practical application and usage can be determined and demonstrated by My Wine Canada. This tranche is subject to completion of a final agreement between My Wine Canada and the Company.

As at December 31, 2019 and pursuant to the LOI with Wine Canada Inc., the Company has advanced $37,021 to Wine Canada towards the development of a consumer facing web portal for online sales of Canadian wine and spirits direct from Canadian producers. The advanced funding was recorded as a research expense.

5. **SHARE CAPITAL – CONTINUED**

3) Warrants

A summary of warrant activity is as follows:

	No. of warrants	Weighted average exercise price
		$
Balance, December 27, 2017, and December 31, 2018	-	-
Issued	125,000	0.25
Expired	-	-
Balance, December 31, 2019	**125,000**	**0.25**

The outstanding issued warrants balance at December 31, 2019, is comprised of the following:

Date of expiry	Type	Number	Weighted average exercise price	Weighted average years remaining	Fair value
			$	Years	$
January 22, 2020	Warrant	125,000	0.250	0.06	4,313
		125,000	**0.25**	**0.06**	**4,313**

The fair value of warrants was estimated on the date of issuance using the Black-Scholes model:

Warrants issued on		**January 22, 2019**
Number of warrants issued		125,000
Weighted average information:		
Stock price	$	0.10
Exercise price	$	0.25
Expected life (years)		1.0
Expected volatility		150%
Discount rate		3.0%
Expected dividends		Nil
Fair value	$	**4,313**

5) SHARE CAPITAL - CONTINUED

The following table provides additional information about outstanding stock options as at December 31, 2019:

Expiry date	Number exercisable	Number outstanding	Weighted average exercise price $	Weighted average years remaining	Fair value $
July 5, 2021	Nil	1,000,000	0.05	1.51	2,600
	Nil	1,000,000	0.05	1.51	2,600

The fair value of stock options was estimated on the date of grant using the Black-Scholes model. The following assumptions were used:

		Options issued in 2018 $
Number of options issued		1,000,000
Weighted average information:		
Stock price	$	0.005
Exercise price	$	0.050
Expected life (years)		3
Expected volatility		150%
Discount rate		2.14%
Vesting		Nil
Expected dividends		Nil
Fair value (total)	$	2,600
Fair value (this period)	$	-

The Company did not issue any stock options in the current year.

7. FINANCIAL RISK FACTORS, continued

b. Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due or can only do so at excessive cost *(see note 1)*. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2019, the Company had a working capital deficiency of $101,935 (2018 - $46,523). All of the Company's financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms.

8. CAPITAL MANAGEMENT

The Company's objective when managing capital is to maintain adequate levels of funding to maintain head office corporate and administrative functions. The Company considers its capital to be its shareholders' equity. The Company manages its capital structure in an effort to provide sufficient funding for its development projects. Funds are primarily secured through equity capital raised by way of private placements and exercise of warrants and/or stock options.

There can be no assurances that the Company will be able to continue raising equity capital in this manner. The Company's Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements.

9. ACCOUNTS RECEIVABLE

The Company's accounts receivable consist of harmonized services tax ("HST") recoverable from the Canadian government taxation authorities. At December 31, 2019 HST receivable amounted to $5,400 (2018 - $5,180).

12. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The Company signed a consulting contract, on July 1, 2018, with a company controlled by a director and officer to provide capital market advice including financing management and to assist in the process of successful public listing. The duration of this contract is guaranteed for an initial term of 6 months and will continue on a monthly basis thereafter until such time as this contract is terminated. Following the initial 6 months term, of which services are provided at no cost to the Company, a monthly consulting fee in the amount of five thousand Canadian Dollars will apply. The Company will also pay a finders' fee of up to 5% of funds raised for the company. The consultant will be entitled to receive stock options on common shares of the Company subject to the approval of the Board of Directors. No amounts were incurred under this consulting contract during the year ended December 31, 2019.

13. INCOME TAXES

Income tax expense

The following table reconciles the amount of reported income taxes in the statement of comprehensive loss with income taxes calculated at statutory income tax rates of 12.50%. The statutory income tax rate is the combined Canadian rates applicable in the jurisdictions in which the Company does business. The tax rate for deferred income taxes is 26.5%.

	December 31, 2019	December 31, 2018
	$	$
Loss before income taxes	(80,413)	(46,523)
Applicable tax rates	12.50%	13.50%
Expected tax recovery computed at applicable tax rates	(10,052)	(6,281)
Differences in current and deferred tax rates	(11,258)	(6,019)
Change in deferred tax asset not recognized	21,310	12,300
Income tax expense (recovery)	-	-

Deferred income taxes

The primary differences that give rise to the deferred income tax balances as at December 31, 2019 and December 31, 2018 are as follows:

	December 31, 2018	December 31, 2018
	$	$
Non-capital loss carry forwards	33,600	12,300
Less: valuation allowance	(33,600)	(12,300)
Total unrecognized deferred tax assets	-	-

APPENDIX A1

ISSUER MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

10557536 Canada Corp.

Management Discussion and Analysis
of the Financial Condition and Results of Operations

Years ended December 31, 2019

The following management discussion and analysis ("MD&A") of 10557536 Canada Corp. ("10557536" or "the Company") provides a review of corporate developments, results of operations and financial position for the years ended December 31, 2019 and 2018 ("Q1 to Q4"). This discussion is prepared as of April 27, 2020 and should be read in conjunction with the Company's Annual Audited Financial Statements for the years ended December 31, 2019 and 2018. The results reported in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are presented in Canadian dollars, which is the Company's functional currency. Additional information regarding 10557536 is available on the Company's SEDAR profile at www.sedar.com.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

COMPANY OVERVIEW

10557536 Canada Corp. was incorporated on December 27, 2017 under the Canada Business Corporations Act with its head office located at 401 Bay Street, Suite #2100, Toronto, Ontario, Canada, M5H 2Y4. The Company, as a reporting issuer in the provinces of British Columbia, Alberta and Manitoba, is subject to the rules and regulations of the relative provincial securities commissions, but its shares do not trade on any stock exchange. The Company has no current active business operations and its principal business is the identification and evaluation of assets or businesses for the purpose of completing a Qualifying Transaction such that the Company's shares can be approved for listing and trading on a recognized Canadian stock exchange.

Where a Qualifying Transaction is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing. There is no assurance that the Company will be able to complete a Qualifying Transaction or that it will be able to secure the necessary financing to complete a Qualifying Transaction.

PLAN OF ARRANGEMENT

Under the terms of a Plan of Arrangement approved by the Ontario Superior Court of Justice on March 26, 2018, the Company acquired substantially all the rights and interests in a Letter of Intent ("LOI") between Telferscot Resources Inc. ("Telferscot") and My Wine Canada Inc. ("MWC"). As consideration for acquisition of this LOI, 10557536 issued 2,499,996 common shares to Telferscot, which were then distributed to the current shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot. The LOI has been assigned a nominal value of $1. Telferscot has an agreement with MWC to develop a consumer facing web portal for online sales of Canadian wine and spirits direct from Canadian producers to Canadian consumers. MWC is looking for a joint-venture partner to fund the development and deployment of a new site for the regulated sales of cannabis in Canada to be known as QuickLeaf.

MY WINE CANADA INC.

On October 9, 2018, the Company agreed to provide up to $75,000 in funding to My Wine Canada which will made available in stages with the following understanding:

i) Initial Tranche – up to $25,000 -This tranche of funding will be made available starting immediately and is agreed to be effectively an "exclusivity fee" to secure the potential acquisition or assumption of QuickLeaf by us from My Wine Canada. Such acquisition or assumption to be subject to agreement on final terms between the two parties.

ii) Intermediary Tranche – up to $25,000 - This tranche will be subject to the Company's ability to raise further capital and is agreed to be credited toward the cost of acquisition or assumption of QuickLeaf by the Company from My Wine Canada, as/if/when final terms are agreed. In the event that terms are not agreed, this tranche or any part thereof will be repayable to the Company by My Wine Canada only at such time as My Wine Canada has managed to realise value for QuickLeaf either on its own or by way of sale, joint venture, third party funding or any other means by which value for QuickLeaf has been established.

iii) Final Tranche – up to $75,000 in total funding, including the amounts funded under the Initial and Intermediary Tranches. This tranche may only follow the Intermediary Tranche and is intended to fund the beta testing of the QuickLeaf website. In other words, this funding will be made available only at such time as the design and development work on QuickLeaf is completed to a point where real-world practical application and usage can be determined and demonstrated by My Wine Canada. This tranche is subject to completion of a final agreement between My Wine Canada and the Company.

FINANCIAL

As at December 31, 2019, the Company has no source of operating cash flow and had an accumulated deficit of $126,935 (2018 - $46,523). Net comprehensive loss for the year ended December 31, 2019 was $80,413 (2018 - $46,523). The Company also had a working capital deficiency of $101,935 as at December 31, 2019 (2018 - $46,523). The Company's financial statements have been prepared on a going concern basis, which presumes realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern, namely its ability to generate sufficient cash resources to meet its obligations for at least twelve months from the end of the reporting period, is dependent upon its ability to arrange future financing, which is largely dependent upon prevailing capital market conditions, the completion of an anticipated private placement after the end of the reporting period, continued support of its shareholder base and completion of a Qualifying Transaction These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

QUARTERLY PERFORMANCE

The following table highlights certain key quarterly financial highlights. Commentary on the selected highlights is included under "Results of Operations" and "Liquidity and Capital Resources".

Description	Dec 31, 2019 / 2019 Q4	Sep 30, 2019 / 2019 Q3	Jun 30, 2019 / 2019 Q2	Mar 31, 2019 / 2019 Q1	Dec 31, 2018 / 2018 Q4	Sep 30, 2018 / 2018 Q3	Jun 30, 2018 / 2018 Q2	Mar 31, 2018 / 2018 Q1
	$	$	$	$	$	$	$	$
Balance sheet								
Cash (overdraft)	316	1,519	1,520	5,452	2,424	6,062	5,558	(36)
Working capital (deficiency)	(101,936)	(79,075)	(61,997)	(49,827)	(46,523)	(35,702)	(18,935)	(6,036)
Shareholders' deficiency	(64,914)	(54,346)	(43,729)	(31,559)	(46,522)	(35,701)	(18,934)	(6,035)
Income statement								
Total operating expenses	10,362	10,412	11,974	9,829	10,613	16,648	12,866	6,036
Net loss	(10,568)	(10,617)	(12,170)	(10,037)	(10,821)	(16,768)	(12,899)	(6,035)

RESULTS OF OPERATIONS

Years ended December 31, 2019 and 2018

The Company has not so far generated any operating revenues and therefore losses have been incurred throughout the years ended December 31, 2019 and 2018. The Company recorded a net loss of $80,413 during the year ended December 31, 2019 compared to a net loss of $46,523 during the comparative period ended December 31, 2018.

Expenses included research expenses of $37,021, management fees of $33,000 (2018 - $28,750), professional fees of $4,096 (2018 - $11,803), regulatory expenses of $5,408 (2018 - $5,398), office and general expenses of $73 (2018 - $212) and interest expense of $815 (2018 - $360). (see also" Related Party Transactions" section below).

In November 2019, the Company was provided a loan from Grove Corporate Services Ltd. ("GCS"), a company controlled by a director and officer in the amount of $1,500. The loan is due on demand, unsecured and bears no interest.

As at December 31, 2019, accounts payable and accrued liabilities include $60,427 (December 31, 2018 - $8,238) in respect of management fees and reimbursable regulatory expenses due to related parties.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The Company signed a consulting contract, on July 1, 2018, with a company controlled by a director to provide capital market advice including financing management and to assist in the process of successful public listing. The duration of this contract is guaranteed for an initial term of 6 months and will continue on a monthly basis thereafter until such time as this contract is terminated. Following the initial 6 months term, of which services are provided at no cost to the Company, a monthly consulting fee in the amount of five thousand Canadian Dollars will apply. The Company will also pay a finders' fee of up to 5% of funds raised for the company. The consultant will be entitled to receive stock options on common shares of the Company subject to the approval of the Board of Directors.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

(a) **IFRS 16 "Leases"** was issued by the IASB in January 2016 and will ultimately replace IAS 17, "Leases" and related interpretations. The new standard will be effective for fiscal years beginning on or after January 1, 2019, with early adoption permitted provided the Company has adopted IFRS 15, Revenue from Contracts with Customers. The new standard requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all leases contracts, and record it on the statement of financial position, except with respect to lease contracts that meet limited exception criteria. If the Company has significant contractual obligations in the form of operating leases under IAS 17, there will be a material increase to both assets and liabilities on adoption of IFRS 16, and material changes to the timing of recognition of expenses associated with the lease arrangements. The new amendments have been adopted by the Company and have not had a significant impact on these Financial Statements.

(b) **IFRS 23 "Uncertainty over Income Tax Treatments";** this is a new standard clarifying the accounting for uncertainties over income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12 "Income Taxes" when there is uncertainty over income tax treatments. The interpretation is effective for annual periods beginning on January 1, 2019. The application of the new standard will have no significant impact on the Company's Financial Statements.

(c) **IFRS 15 "Revenue from Contracts with Customers";** IFRS 15 was issued with the intent of significantly enhancing consistency and comparability of revenue recognition practices across entities and industries. IFRS 15 replaces IAS 18 Revenue, IAS 11 Construction Contracts and related interpretation. The new standard establishes a single, principles-based five-step model to be applied to all contracts with customers and introduces new and enhanced disclosure requirements. Changes in accounting policies resulting from the adoption of IFRS 15 will not have a material impact on the Company's Financial Statements.

Directors' and Officers' Involvement in Other Projects

The directors and officers of the Company will only devote a small portion of their time to the business and affairs of the Company and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify and complete a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.

Requirement for Additional Financing

The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify and complete a suitable Qualifying Transaction. Further, even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to complete a transaction. The Qualifying Transaction may be financed in whole, or in part, by the issuance of additional securities by the Company and this may result in further dilution to investors, which dilution may be significant and which may also result in a change of control of the Company.

Foreign Qualifying Transaction

In the event that the management of the Company resides outside of Canada or the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

Potential Dilution

The issue of common shares of the Company upon the exercise of the options will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional option and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Volatile Financial Markets

The volatility occurring in the financial markets is a significant risk for the Company. As a result of the market volatility, investors are moving away from assets they perceive as risky to those they perceive as less so. Issuers like the Company are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets in order to raise the capital it will need to fund its current level of expenditures and identify, evaluate and close a Qualifying Transaction.

APPENDIX B

ISSUER FINANCIAL STATMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2020

10557536 CANADA CORP.

Unaudited Interim Financial Statements

As at and for the three and nine months ended

September 30, 2020 and 2019

(Stated in $CAD)

10557536 CANADA CORP.
Statement of Financial Position
(Unaudited - Prepared by Management)
(Stated in $CAD)

As at		Sep 30, 2020		Dec 31, 2019
ASSETS				
Current:				
Cash	$	**915**	$	317
Accounts receivable (Note 10)		**2,032**		5,400
Total current assets		**2,947**		5,717
Long term:				
My Wine Canada Inc. LOI (Note 4)		**-**		1
Xigem Technologies Corp. LOI (Note 5)		**1**		-
	$	**2,948**	$	5,718
LIABILITIES				
Current:				
Due to related parties (Note 12)	$	**7,417**	$	30,185
Subscription receipts (Note 6)		**5,000**		5,000
Accounts payable and accrued liabilities (Note 11)		**86,531**		72,467
		98,948		107,652
SHAREHOLDERS' DEFICIENCY				
Common shares (Note 6)		**55,153**		20,688
Reserve for warrants (Note 6)		**7,200**		4,313
Accumulated deficit		**(158,353)**		(126,935)
		(96,000)		(101,934)
	$	**2,948**	$	5,718

Going concern (Note 1)
Commitments and contractual obligations (Note 13)

The accompanying notes form an integral part of these unaudited interim financial statements

Approved on behalf of the Board:

"Stephen Coates" Director

10557536 CANADA CORP.

Statements of Changes in Equity
(Unaudited - Prepared by Management)
(Stated in $CAD)

	Note	Common shares		Warrants	Accumulated deficit	Total
		No. of shares	Amount			
			$	$	$	$
As at December 31, 2018		**2,499,996**	**1**	**-**	**(46,523)**	**(46,522)**
Issued for cash	6.2(d)	250,000	20,687	4,313	-	25,000
Net loss and comprehensive loss for period			-	-	(32,824)	(32,824)
As at September 30, 2019		**2,749,996**	20,688	**4,313**	**(79,347)**	**(54,346)**
Net loss and comprehensive loss for period		-	-	-	(47,588)	(47,588)
As at December 31, 2019		**2,749,996**	**20,688**	**4,313**	**(126,935)**	**(101,934)**
Issuance of common shares	6.2(e)	1,723,258	34,465	-	-	34,465
Warrant extension		-	-	2,887	-	2,887
Net loss and comprehensive loss for period		-	-	-	(31,418)	(31,418)
As at September 30, 2020		**4,473,254**	**55,153**	**7,200**	**(158,353)**	**(96,000)**

The accompanying notes form an integral part of these unaudited interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

(a) Nature of operations

10557536 Canada Corp. (the "Company" or "10557536") was incorporated on December 27, 2017 under the Canada Business Corporations Act with its head office located at 401 Bay Street, Suite #2100, Toronto, Ontario, Canada, M5H 2Y4. The Company, as a reporting issuer in the provinces of British Columbia, Alberta and Manitoba, is subject to the rules and regulations of the relative provincial securities commissions, but its shares do not trade on any stock exchange.

The Company has no current active business operations and its principal purpose is the identification and evaluation of assets or businesses for the purpose of completing a transaction ("Qualifying Transaction") such that the Company's shares can be approved for listing and trading on a recognized Canadian stock exchange. Where a Qualifying Transaction is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon its ability to obtain additional financing. There is no assurance that the Company will be able to complete a Qualifying Transaction or that it will be able to secure the necessary financing to complete a Qualifying Transaction.

Under the terms of a Plan of Arrangement approved by the Ontario Superior Court of Justice on March 26, 2018, the Company acquired substantially all the rights and interests in a Letter of Intent ("LOI") between Telferscot Resources Inc. ("Telferscot") and My Wine Canada Inc. ("MWC") *(see note 5)*. As consideration for acquisition of this LOI, 10557536 issued 2,499,996 common shares to Telferscot, which were then distributed to the current shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot.

(b) Going concern

The accompanying unaudited interim financial statements ("Financial Statements") have been prepared using International Financial Reporting Standards applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern. It would, in this situation, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying Financial Statements. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(d) Cash

Cash consists of deposits held with banks.

(e) Accounts receivable

Accounts receivable consist primarily of recoverable HST ITCs.

(f) Accounts payable and accrued liabilities

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period end. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(g) Share capital

Common shares issued in exchange for goods and services are recorded at an amount based on the fair market value of the common shares just prior to the date of issuance. Common shares issued in private placements, in conjunction with common share purchase warrants, are recorded using the residual method, whereby the proceeds of the private placement are allocated first to the common shares at the lesser of the common share's fair value and the gross proceeds of the private placement, with any residual amounts then being allocated to the common share purchase warrants. Share issuance expenses are applied against share capital.

(h) Share-based payments

The fair value of any share-based payment granted to directors, officers, employees and consultants is recorded over the vesting period of the award as an expense or a component of exploration and evaluation assets or property, plant and equipment based on the nature of the services for which it was awarded with a corresponding increase recorded to contributed surplus. Share-based payments for directors, officers and employees are valued at the grant date whereas consultants' share-based payments are valued as the goods and services are received from the recipient. If the fair value of the goods and services received cannot be estimated reliably the Black-Scholes pricing model is used. Fair value of stock options for directors, officers and employees is determined using the Black-Scholes option pricing model utilizing management's assumptions as described in note 6. Fair value of share-based payments for consultants is determined based on the fair value of the goods and services received and requires management to make estimates of the value of the goods and services received. Upon exercise of a share option, consideration paid by the share option together with the amount previously recognized in reserve for share-based payments is recorded as an increase to share capital. For those share- based payments that expire or are forfeited after vesting, the recorded value is transferred to deficit.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(k) Critical accounting estimates and judgements

The preparation of these Financial Statements requires the Company to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the Company's reported amounts of assets, liabilities, revenues and other items in net earnings, and the related disclosure of contingent assets and liabilities, if any. The Company evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of revenues and other items in net earnings that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Information about critical judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statement are discussed below:

Going concern

The assessment of the Company's ability to continue as a going concern involves judgement regarding future funding available for its planned RTO and working capital requirements.

Use of estimates

The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. Significant estimates include the valuation of share options using the Black-Scholes pricing model conditions and the fair value of the common shares issued pursuant to the Plan of Arrangement (*see note 4*).

(l) Financial instruments

Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a de-recognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fair value

The determination of the fair value of financial assets and liabilities, for which there is no observable market price, requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective as such it requires varying degrees of judgment. The use of judgment in valuing financial instruments includes assessing qualitative factors such on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the particular instrument.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs derived either directly or indirectly from market prices. This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted market prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted market prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Impairment of financial assets

The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

Effective interest method

The effective interest method calculates the amortized cost of a financial instrument asset or liability and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset or liability, or where appropriate, a shorter period. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

5. XIGEM TECHNOLOGIES CORP.

On September 22, 2020, the Company announced that it has entered into a non-binding Letter of Intent with Xigem Technologies Corp. ("Xigem"), a burgeoning technology company exploiting opportunities emerging from the increasing remote economy. The Letter of Intent outlines the proposed terms and conditions pursuant to which the Company and Xigem will effect a business combination that will result in a reverse takeover of the Company by the securityholders of Xigem (the "Proposed Transaction"). The Letter of Intent was negotiated at arm's length.

Established in Toronto, Ontario, Xigem is finalizing the acquisition of the sole, unencumbered and unrestricted worldwide rights to use a US Patented (US10,405,151,B2) technology called "Simultaneous Messaging Systems and Methods" (the "iAgent Technology"). The iAgent Technology has proven applications including, but not limited to remote tracking, monitoring and coordination of a variety of assets in the insurance sector. Xigem intends to acquire, in whole or in part, additional technologies and enterprises whose commercialization and success will be driven by sectors impacted by the move to remote work.

Terms of the Transaction

The Proposed Transaction will be structured in a manner most efficient and effective to result in the Company, directly or indirectly, acquiring all outstanding securities of Xigem. The final structure for the Proposed Transaction is subject to satisfactory tax, corporate and securities law advice for both Xigem and the Company. Completion of the Proposed Transaction is subject to a number of conditions, which include final due diligence by both parties, the execution of definitive transaction documents, receipt of all necessary securityholder and regulatory approvals and the application for, and conditional approval of, the listing of the common shares of the resulting issuer (the "Resulting Issuer") on the Canadian Securities Exchange (the "CSE").

Prior to the completion of the Proposed Transaction, Xigem will complete a non-brokered private placement of Xigem units to raise aggregate gross proceeds of up to $1,500,000 (the "Xigem Financing"). Under the Xigem Financing, Xigem intends to complete a private placement of units ("Units") at a price of $0.025 per Unit. Each Unit will be comprised of one Xigem common share and one common share purchase warrant, each being exercisable for one Xigem common share at an exercise price of $0.035 per share for a period of 12 months.

In connection with the Proposed Transaction, the Company will be required to, among other things: (i) change its name to Xigem Technologies Corp. or a similar name as chosen by Xigem, in its sole discretion; (ii) consolidate its outstanding common shares such that the shareholders of the Company retain an aggregate of ten percent (10%) of the Resulting Issuer Shares, provided that, if the Xigem Financing is not fully subscribed, then the consolidation ratio shall be adjusted such that the shareholders of the Company will retain a proportionately greater number of Resulting Issuer Shares; and (iii) elect additional directors to its board as instructed by Xigem to bring the total number of directors in the Company board to four. A special meeting of the Company's shareholders to approve these and other matters relating to the Proposed Transaction will be held in due course, with further details to follow in a management information circular. Closing of the Proposed Transaction is expected to take place in the fourth quarter of 2020.

6. **SHARE CAPITAL – CONTINUED**

(e) On June 30, 2020, the Company executed a common shares for debt transaction in the amount of $34,465, owed to related parties. 1,723,258 shares were issued @ a price of $0.02 per share (see also note 12.

3) Warrants

A summary of warrant activity is as follows:

	No. of warrants	Weighted average exercise price
		$
Balance, December 31, 2018, and December 31, 2019	125,000	0.25
Expired	-	-
Balance, September 30, 2020	**125,000**	**0.25**

The outstanding issued warrants balance at September 30, 2020, is comprised of the following:

Date of expiry	Type	Number	Weighted average exercise price	Weighted average years remaining	Fair value
			$	Years	$
January 22, 2021	Warrant	125,000	0.25	0.31	7,200
		125,000	**0.25**	**0.31**	**7,200**

The fair value of warrants was estimated on the date of issuance using the Black-Scholes model:

6) SHARE CAPITAL - CONTINUED

The following table provides additional information about outstanding stock options as at September 30, 2020:

Expiry date	Number exercisable	Number outstanding	Weighted average exercise price	Weighted average years remaining	Fair value
			$		$
July 5, 2021	Nil	1,000,000	0.05	0.76	2,600
	Nil	1,000,000	0.05	0.76	2,600

The fair value of stock options was estimated on the date of grant using the Black-Scholes model. The following assumptions were used:

	Options issued in 2018
	$
Number of options issued	1,000,000
Weighted average information:	
Stock price	$ 0.005
Exercise price	$ 0.050
Expected life (years)	3
Expected volatility	150%
Discount rate	2.14%
Vesting	Nil
Expected dividends	Nil
Fair value (total)	$ 2,600
Fair value (this period)	-

The Company did not issue any stock options in the current period.

8. FINANCIAL RISK FACTORS, continued

b. Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due or can only do so at excessive cost *(see note 1)*. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2020, the Company had a working capital deficiency of $96,011 (December 31, 2019 - $101,935). All of the Company's financial liabilities have contractual maturities of less than 90 days and are subject to normal trade terms.

9. CAPITAL MANAGEMENT

The Company's objective when managing capital is to maintain adequate levels of funding to maintain head office corporate and administrative functions. The Company considers its capital to be its shareholders' equity. The Company manages its capital structure in an effort to provide sufficient funding for its development projects. Funds are primarily secured through equity capital raised by way of private placements and exercise of warrants and/or stock options.

There can be no assurances that the Company will be able to continue raising equity capital in this manner. The Company's Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements.

10. ACCOUNTS RECEIVABLE

The Company's accounts receivable consist of harmonized services tax ("HST") recoverable from the Canadian government taxation authorities. At September 30, 2020 HST receivable amounted to $2,032 (December 31, 2019 - $5,400).

12. RELATED PARTY TRANSACTIONS, continued

Furthermore, the Company issued Grove Corporate Services Limited 268,438 shares at a price of $0.02 for a total amount of $5,369 towards their accrued management fees.

As at September 30, 2020, accounts payable and accrued liabilities include $71,990 (December 31, 2019 - $60,427) in respect of management fees and reimbursable regulatory expenses due to related parties.

13. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The Company signed a consulting contract, on July 1, 2018, with a company controlled by a director and officer to provide capital market advice including financing management and to assist in the process of successful public listing. The duration of this contract is guaranteed for an initial term of 6 months and will continue monthly thereafter until such time as this contract is terminated. Following the initial 6 months term, of which services are provided at no cost to the Company, a monthly consulting fee in the amount of five thousand Canadian Dollars will apply. The Company will also pay a finders' fee of up to 5% of funds raised for the company. Effective March 1, 2020, the consulting contract was amended to allow the granting of two million options to acquire common shares of the Company with an exercise price of $0.01 per share, for a term of 36 months, subject to the successful completion of a listing transaction. No amounts were incurred under this consulting contract during the three and nine months ended September 30, 2020.

14. COVID-19

Since January 2020, the outbreak of the novel strain of coronavirus, specifically identified as 'COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposing quarantine period and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operating subsidiaries in future period.

In March 2020, the Company provided a notice to Grove Corporate Services Ltd. informing them that the Company will not be able to continue to pay for the management and accounting fees during the COVID-19 pandemic. Subsequently Grove agreed to waive all management and accounting fees as of March 1, 2020 for a maximum period of six months.

APPENDIX B1

ISSUER MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED SEPTEMBER 30, 2020

10557536 CANADA CORP.

Management Discussion and Analysis

of the Financial Condition and Results of Operations

Three and nine months ended September 30, 2020 and 2019

The following management discussion and analysis ("MD&A") of 10557536 Canada Corp. ("10557536" or "the Company") provides a review of corporate developments, results of operations and financial position for the three and nine months ended September 30, 2020 and 2019 ("Q1-Q3"). This discussion is prepared as of October 15, 2020 and should be read in conjunction with the Company's Unaudited Interim Financial Statements for the three and nine months ended September 30, 2020 and 2019and the Annual Audited Financial Statements for the years ended December 30, 2019 and 2018. The results reported in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are presented in Canadian dollars, which is the Company's functional currency. Additional information regarding 10557536 is available on the Company's SEDAR profile at www.sedar.com.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements

Selected forward-looking statements, assumptions, and risk factors are as follows:

Forward-looking statements	Assumptions	Risk factors
The Company is working towards completing a Qualifying Transaction.	The Company expects to identify an asset or business to acquire and close a Qualifying Transaction, on terms favourable to the Company.	The Company's inability to find a target, the inability to satisfy all of the conditions precedent (due diligence, shareholder and regulatory approval, financing) to complete a Qualifying Transaction, resulting in the Company remaining as a reporting issuer only.
The Company's ability to meet its working capital needs at the current level for the year ending December 31, 2020.	The operating activities of the Company for the year ending December 31, 2020, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; regulatory compliance and changes in regulatory compliance and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.

COMPANY OVERVIEW

10557536 Canada Corp. was incorporated on December 27, 2017 under the Canada Business Corporations Act with its head office located at 401 Bay Street, Suite #2100, Toronto, Ontario, Canada, M5H 2Y4. The Company, as a reporting issuer in the provinces of British Columbia, Alberta and Manitoba, is subject to the rules and regulations of the relative provincial securities commissions, but its shares do not trade on any stock exchange. The Company has no current active business operations and its principal business is the identification and evaluation of assets or businesses for the purpose of completing a Qualifying Transaction such that the Company's shares can be approved for listing and trading on a recognized Canadian stock exchange.

Where a Qualifying Transaction is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing. There is no assurance that the Company will be able to complete a Qualifying Transaction or that it will be able to secure the necessary financing to complete a Qualifying Transaction.

PLAN OF ARRANGEMENT

Under the terms of a Plan of Arrangement approved by the Ontario Superior Court of Justice on March 26, 2018, the Company acquired substantially all the rights and interests in a Letter of Intent ("LOI") between Telferscot Resources Inc. ("Telferscot") and My Wine Canada Inc. ("MWC"). As consideration for acquisition of this LOI, 10557536 issued 2,499,996 common shares to Telferscot, which were then distributed to the current shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot. The LOI had been assigned a nominal value of $1. Telferscot had an agreement with MWC to develop a consumer facing web portal for online sales of Canadian wine and spirits direct from Canadian producers to Canadian consumers. MWC is looking for a joint-venture partner to fund the development and deployment of a new site for the regulated sales of cannabis in Canada to be known as QuickLeaf.

MY WINE CANADA INC.

Under the terms of a Plan of Arrangement approved by the Ontario Superior Court of Justice on March 26, 2018, the Company acquired substantially all the rights and interests in a Letter of Intent ("LOI") between Telferscot and MWC, and accordingly would assume the position of Telferscot with respect to the LOI. As consideration for its acquisition, 10557536 issued 2,499,996 common shares to Telferscot, which were then distributed to the current shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot (see note 6(b)). The LOI has been assigned a nominal value of $1.

Telferscot has an agreement with MWC to develop a consumer facing web portal for online sales of Canadian wine and spirits direct from Canadian producers to Canadian consumers. MWC is looking for a joint-venture partner to fund the development and deployment of a new site for the regulated sales of cannabis in Canada to be known as QuickLeaf.

On October 9, 2018, the Company agreed to provide up to $75,000 in funding to My Wine Canada which will made available in stages. As of September 30, 2020, and pursuant to the LOI with Wine Canada Inc., the Company has advanced $50,676 (December 31, 2019 - $37,021) to Wine Canada towards the development of a consumer facing web portal for online sales of Canadian wine and spirits direct from Canadian producers. The advanced funding was recorded as a research expense.

On September 22, 2020, the Company signed another LOI with Xigem Technologies Corp. (see note 5) and informed My Wine Canada that the Company is withdrawing from the LOI and will not continue with the Wine Canada project.

XIGEM TECHNOLOGIES CORP.

On September 22, 2020, the Company announced that it has entered into a non-binding Letter of Intent with Xigem Technologies Corp. ("Xigem"), a burgeoning technology company exploiting opportunities emerging from the increasing remote economy. The Letter of Intent outlines the proposed terms and conditions pursuant to which the Company and Xigem will effect a business combination that will result in a reverse takeover of the Company by the securityholders of Xigem (the "Proposed Transaction"). The Letter of Intent was negotiated at arm's length.

Established in Toronto, Ontario, Xigem is finalizing the acquisition of the sole, unencumbered and unrestricted worldwide rights to use a US Patented (US10,405,151,B2) technology called "Simultaneous Messaging Systems and Methods" (the "iAgent Technology"). The iAgent Technology has proven applications including, but not limited to remote tracking, monitoring and coordination of a variety of assets in the insurance sector. Xigem intends to acquire, in whole or in part, additional technologies and enterprises whose commercialization and success will be driven by sectors impacted by the move to remote work.

Terms of the Transaction

The Proposed Transaction will be structured in a manner most efficient and effective to result in the Company, directly or indirectly, acquiring all outstanding securities of Xigem. The final structure for the Proposed Transaction is subject to satisfactory tax, corporate and securities law advice for both Xigem and the Company. Completion of the Proposed Transaction is subject to a number of conditions, which include final due diligence by both parties, the execution of definitive transaction documents, receipt of all necessary securityholder and regulatory approvals and the application for, and conditional approval of, the listing of the common shares of the resulting issuer (the "Resulting Issuer") on the Canadian Securities Exchange (the "CSE").

Prior to the completion of the Proposed Transaction, Xigem will complete a non-brokered private placement of Xigem units to raise aggregate gross proceeds of up to $1,500,000 (the "Xigem Financing"). Under the Xigem Financing, Xigem intends to complete a private placement of units ("Units") at a price of $0.025 per Unit. Each Unit will be comprised of one Xigem common share and one common share purchase warrant, each being exercisable for one Xigem common share at an exercise price of $0.035 per share for a period of 12 months.

In connection with the Proposed Transaction, the Company will be required to, among other things: (i) change its name to Xigem Technologies Corp. or a similar name as chosen by Xigem, in its sole discretion; (ii) consolidate its outstanding common shares such that the shareholders of the Company retain an aggregate of ten percent (10%) of the Resulting Issuer Shares, provided that, if the Xigem Financing is not fully subscribed, then the consolidation ratio shall be adjusted such that the shareholders of the Company will retain a proportionately greater number of Resulting Issuer Shares; and (iii) elect additional directors to its board as instructed by Xigem to bring the total number of directors in the Company board to four. A special meeting of the Company's shareholders to approve these and other matters relating to the Proposed Transaction will be held in due course, with further details to follow in a management information circular. Closing of the Proposed Transaction is expected to take place in the fourth quarter of 2020.

GOING CONCERN

The accompanying unaudited interim financial statements ("Financial Statements") have been prepared using International Financial Reporting Standards applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern. It would, in this situation, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying Financial Statements. Such adjustments could be material.

CORPORATE

On April 3, 2018, Robert Kirtlan and Catherine Beckett were appointed as directors of the Company.

FINANCING

On January 22, 2019, the Company closed a non-brokered private placement offering of 250,000 units of the Company priced at $0.10 per unit for aggregate gross proceeds of $25,000. Each unit issued by the Company entitles the holder thereof to receive one Common Share of the Company and one-half Common Share purchase warrant. Each full warrant entitles the holder to purchase one Common Share of the Company at a price of $0.25 for 12 months from the date of closing.

On June 30, 2020, the Company executed a common shares for debt transaction in the amount of $34,465 owed to related parties. 1,723,258 shares were issued @ a price of $0.02 per share (see also Related parties below).

OPTIONS

On July 5, 2018, the Company issued an aggregate of 1,000,000 stock options to a company controlled by a director for management and administrative services as part of their compensation. The options are exercisable at $0.05 each for a period of up to 3 years from the issuance date and are vested in two tranches during the first 12 months pending certain conditions subject to the completion of a binding or definitive agreement for an acquisition or transaction that will qualify the Company to seek a public listing on a recognized exchange.

Warrants

In January 2020, the Company renewed the expiry date of 125,000 share purchase warrants which, had expired on January 22, 2020, by a further one-year term to January 22, 2021. All other terms remained the same.

COVID-19

Since January 2020, the outbreak of the novel strain of coronavirus, specifically identified as 'COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposing quarantine period and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operating subsidiaries in future period.

In March 2020, the Company provided a notice to Grove Corporate Services Ltd. informing them that the Company will not be able to continue to pay for the management and accounting fees during the COVID-19 pandemic. Subsequently Grove agreed to waive all management and accounting fees as of March 1, 2020 for a maximum period of six months.

Financial

As at September 30, 2020, the Company has no source of operating cash flow and had an accumulated deficit of $158,353 (December 31, 2019 - $126,935). Net comprehensive loss for the three and nine months ended September 30, 2020 was $3,946 and $31,418 respectively (2019 - $10,617 and $32,824). The Company also had a working capital deficiency of $96,001 as at September 30, 2020 (December 31, 2019 - $101,935). The Company's financial statements have been prepared on a going concern basis, which presumes realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern, namely its ability to generate sufficient cash resources to meet its obligations for at least twelve months from the end of the reporting period, is dependent upon its ability to arrange future financing, which is largely dependent upon prevailing capital market conditions, the completion of an anticipated private placement after the end of the reporting period, continued support of its shareholder base and completion of a Qualifying Transaction These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

Quarterly Performance

The following table highlights certain key quarterly financial highlights. Commentary on the selected highlights is included under "Results of Operations" and "Liquidity and Capital Resources".

Description	Sep 30, 2020 / 2020 Q3	Jun 30, 2020 / 2020 Q2	Mar 31, 2020 / 2020 Q1	Dec 31, 2019 / 2019 Q4	Sep 30, 2019 / 2019 Q3	Jun 30, 2019 / 2019 Q2	Mar 31, 2019 / 2019 Q1	Dec 31, 2018 / 2018 Q4
	$	$	$	$	$	$	$	$
Balance sheet								
Cash (overdraft)	915	915	3,419	316	1,519	1,520	5,452	2,424
Working capital (deficiency)	(96,001)	(92,055)	(119,765)	(101,936)	(79,075)	(61,997)	(49,827)	(46,523)
Shareholders' deficiency	(96,000)	(92,054)	(119,764)	(101,934)	(54,346)	(43,729)	(31,559)	(46,522)
Income statement								
Total operating expenses	3,946	6,755	20,717	29,522	10,412	11,974	28,304	10,613
Net loss	(3,946)	(6,755)	(20,717)	(29,118)	(10,617)	(12,170)	(28,304)	(10,821)

RESULTS OF OPERATIONS

Three months ended September 30, 2020 and 2019

The Company has not so far generated any operating revenues and therefore losses have been incurred throughout the three months ended September 30, 2020 and 2019. The Company recorded a net loss of $3,946 during the three months ended September 30, 2020 compared to a net loss of $10,617 during the comparative period ended December 31, 2019.

Expenses included research expenses of $1,544 (2019 – $nil), management fees of $nil (2019 - $8,250), professional fees of $1,000 (2019 - $1,000), regulatory expenses of $1,402 (2019 - $1,160), office and general expenses of $nil (2019 - $207). (See also "Related Party Transactions" section below).

Nine months ended September 30, 2020 and 2019

The Company has not so far generated any operating revenues and therefore losses have been incurred throughout the nine months ended September 30, 2020 and 2019. The Company recorded a net loss of $31,418 during the nine months ended September 30, 2020 compared to a net loss of $32,824 during the comparative period ended December 31, 2019.

Expenses included research expenses of $13,655 (2019 – $nil), management fees of $5,500 (2019 - $24,750), professional fees of $3,647 (2019 - $3,096), regulatory expenses of $5,275 (2019 - $4,298), office and general expenses of $454 (2019 - $680). (See also" Related Party Transactions" section below).

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2020, the Company had a cash balance of $915 and had a working capital deficiency of $96,001. Plans for a private placement to provide funds to identify and evaluate assets or businesses for completion of a Qualifying Transaction and basic operating costs of a company with ongoing reporting issuer obligations have yet to be finalized.

CAPITALIZATION

The Company has the following securities issued and outstanding at each reporting date:

	October 15, 2020	September 30, 2020	December 31, 2019
Common shares	4,473,254	4,473,254	2,749,996
Share-based payments options	1,000,000	1,000,000	1,000,000
Warrants	125,000	125,000	125,000

The Company is a reporting issuer in the provinces of British Columbia, Alberta and Manitoba and is subject to the rules and regulations of the relative provincial securities commissions, but its shares do not trade on any stock exchange. The Company was incorporated on December 27, 2017 with the initial common share issued to the incorporator having been cancelled.

As a result of the court approval of the Plan of Arrangement on March 26, 2018, 10557536 issued 2,499,996 common shares to Telferscot as consideration for the acquisition of the LOI with MWC. These common shares were issued to Telferscot on April 5, 2018, and in turn, distributed to the current shareholders of Telferscot pro-rata based on their relative shareholdings of Telferscot on April 12, 2018.

RELATED PARTY TRANSACTIONS

The Company is billed a monthly fee of $2,750 (plus applicable HST) by a company controlled by a director for management and administrative services, including the corporate secretary, the services of the CFO, office rent and regular administrative functions. In March 2020, Grove Corporate Services Ltd agreed to waive all management and accounting fees during the COVID-19 pandemic as of March 1, 2020 and for a maximum period of six months (See note 13). During the three and nine months ended September 30, 2020, the Company incurred total fees of $nil and $5,500 respectively (2019 - $8,250 and $24,750).

On July 5, 2018, the Company issued an aggregate of 1,000,000 stock options to the same company as part of their compensation. The options are exercisable at $0.05 each for a period of up to 3 years from the date of issuance and are vested in two tranches during the first 12 months. The total fair value of the options was estimated to be $2,600 but none of the options had vested as of September 30, 2020 and thus the fair value has not been recognized as an expense.

In June 2018, the Company was provided a loan from Bolingbroke Investments Inc. (“BII”), a company controlled by a director and officer in the amount of $15,000. BII advanced further funds in July and September 2018 which amounted to $27,500 as at June 30, 2020. The loan is due on demand, unsecured and bears interest at 3% per annum with such amount included in the statements of net loss and comprehensive loss. On June 30, 2020, the Company issued BII 1,454,820 shares at a price of $0.02 for a total amount of $29,096 towards the total loan amount.

Furthermore, the Company issued Grove Corporate Services Limited 268,438 shares at a price of $0.02 for a total amount of $5,369 towards their accrued management fees. During the three and nine months ended September 30, 2020, accrued interest on the loan amounted to $nil and $411 respectively (2019 - $207 and $619).

In November 2019, the Company was provided a loan from Grove Corporate Services Ltd. (“GCS”), a company controlled by a director and officer in the amount of $1,500 to cover operational expenses. As at September 30, 2020, the loan has amounted to $7,417. The loan is due on demand, unsecured and bears no interest. During the three and nine months ended September 30, 2020, accrued interest on the loan amounted to $nil and $411 respectively (2019 - $207 and $619).

As at September 30, 2020, accounts payable and accrued liabilities include $71,990 (December 31, 2019 - $60,427) in respect of management fees and reimbursable regulatory expenses due to related parties.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The Company signed a consulting contract, on July 1, 2018, with a company controlled by a director and officer to provide capital market advice including financing management and to assist in the process of successful public listing. The duration of this contract is guaranteed for an initial term of 6 months and will continue monthly thereafter until such time as this contract is terminated. Following the initial 6 months term, of which services are provided at no cost to the Company, a monthly consulting fee in the amount of five thousand Canadian Dollars will apply. The Company will also pay a finders' fee of up to 5% of funds raised for the company. Effective March 1, 2020, the consulting contract was amended to allow the granting of two million options to acquire common shares of the Company with an exercise price of $0.01 per share, for a term of 36 months, subject to the successful completion of a listing transaction. No amounts were incurred under this consulting contract during the three and nine months ended September 30, 2020.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

(a) **IFRS 3;** In October 2018, the IASB issued amendments to IFRS 3 "Definition of a Business" The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment provides an assessment framework to determine when a series of integrated activities is not a business. The amendments are effective for business combinations occurring on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The Company is currently evaluating the potential impact of these amendments on the Company's Financial Statements.

(b) **IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"** were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted. The Company is currently evaluating the potential impact of these amendments on the Company's Financial Statements.

CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and ensure sufficient liquidity in order to complete a Qualifying Transaction so that it can provide adequate returns for shareholders. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital as total shareholders' equity.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have an effect on the results of operations or financial condition of the Company.

RISKS AND UNCERTAINTIES

Proposed Business

The Company was only recently incorporated, has not commenced commercial operations and has no assets other than cash and amounts receivable. It has no history of earnings, and will not generate earnings or pay dividends until at least after the completion of the Qualifying Transaction.

No Market or History of Operations

The Company was incorporated on December 27, 2017, has not commenced commercial operations and has no assets other than cash and accounts receivable. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete a transaction.

Directors' and Officers' Involvement in Other Projects

The directors and officers of the Company will only devote a small portion of their time to the business and affairs of the Company and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify and complete a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.

Requirement for Additional Financing

The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify and complete a suitable Qualifying Transaction. Further, even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to complete a transaction. The Qualifying Transaction may be financed in whole, or in part, by the issuance of additional securities by the Company and this may result in further dilution to investors, which dilution may be significant and which may also result in a change of control of the Company.

Foreign Qualifying Transaction

In the event that the management of the Company resides outside of Canada or the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

Potential Dilution

The issue of common shares of the Company upon the exercise of the options will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional option and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Volatile Financial Markets

The volatility occurring in the financial markets is a significant risk for the Company. As a result of the market volatility, investors are moving away from assets they perceive as risky to those they perceive as less so. Issuers like the Company are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets in order to raise the capital it will need to fund its current level of expenditures and identify, evaluate and close a Qualifying Transaction.

APPENDIX C

COMPANY FINANCIAL STATMENTS FOR THE PERIOD ENDED OCTOBER 31, 2020

Xigem Technologies Corporation

Financial Statements

As at October 31, 2020, and for the period June 15, 2020
(date of incorporation) to October 31, 2020

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CLEARHOUSE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Xigem Technologies Corporation

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of Xigem Technologies Corporation (the Company), which comprise the statement of financial position as at October 31, 2020 and the statements of loss and comprehensive loss, statements of changes in equity and statements of cash flows for the period from June 15, 2020 (date of incorporation) to October 31, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2020 and its financial performance and its cash flows for the period from June 15, 2020 (date of incorporation) to October 31, 2020, in accordance with International Financial Reporting Standards.

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

Material Uncertainty Relating to Going Concern
We draw your attention to Note 2 in the financial statements, which indicates the Company incurred a comprehensive loss of $93,398 during the period from June 15, 2020 (date of incorporation) to October 31, 2020. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon
Management is responsible for the other information. The other information comprises the annual management's discussion and analysis, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the 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.

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

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
November XX, 2020

Xigem Technologies Corporation
Statement of Financial Position
(Expressed in Canadian dollars)

	Note	October 31, 2020
		$
ASSETS		
Current		
Cash and cash equivalents	5	**2,192,323**
Indirect taxes recoverable		**3,959**
Due from related parties	11	**200,000**
		2,396,282
Intangible assets	6	**621,233**
		3,017,515
LIABILITIES		
Current		
Accounts payable and accrued liabilities		**66,765**
Due to related party	11	**30,000**
		96,765
Deferred income tax liability	7	**5,808**
		102,573
SHAREHOLDERS' EQUITY		
Share capital	8	**2,347,426**
Contributed surplus	8	**660,914**
Deficit		**(93,398)**
		2,914,942
		3,017,515
Going concern	2	
Contingencies	14	
Commitments	15	
Other events	16	

Approved by the Board:

Brian Kalish
Director

The accompanying notes are an integral part of and should be read in conjunction with these audited financial statements.

Xigem Technologies Corporation
Statement of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Note	4 months ended 31-Oct-20
		$
EXPENSES		
Professional fees		**59,306**
Share-based payments	8	**24,500**
Amortization of intangible assets	6	**3,767**
Interest and bank charges		**17**
		87,590
Loss before tax		**(87,590)**
Income tax expense		
Current taxes	7	**-**
Deferred taxes	7	**5,808**
		5,808
Net loss and comprehensive loss		**(93,398)**
Loss per share		
Basic and diluted loss per share	9	**(0.004)**

Xigem Technologies Corporation
Statement of Changes in Equity
(Expressed in Canadian dollars)

	Note	Share capital: Number	Share capital: Amount	Contributed surplus	Deficit	Total equity
		#	$	$	$	$
Balance, as at June 15, 2020	8	20,000,000	200,000	-	-	200,000
Net loss and comprehensive loss		-	-	-	(93,398)	(93,398)
Acquisition of iAgent	4	25,000,000	478,096	146,904	-	625,000
Private placement	8	86,000,000	1,644,649	505,351	-	2,150,000
Issuance of shares for services	8	1,473,600	28,181	8,659	-	36,840
Share issuance costs	8	-	(3,500)	-	-	(3,500)
Balance, as at October 31, 2020		**132,473,600**	**2,347,426**	**660,914**	**(93,398)**	**2,914,942**

The accompanying notes are an integral part of and should be read in conjunction with these audited financial statements.

Xigem Technologies Corporation
Statement of Cash Flows
(Expressed in Canadian dollars)

	Note	4 months ended 31-Oct-20
		$
OPERATING ACTIVITIES		
Net loss and comprehensive loss		**(93,398)**
Items not affecting cash:		
Share-based payments	8	**24,500**
Amortization expense	6	**3,767**
Deferred taxes	7	**5,808**
		(59,323)
Changes in non-cash working capital balances:		
Indirect taxes recoverable		**(3,959)**
Accounts payable and accrued liabilities		**66,765**
		62,806
		3,483
FINANCING ACTIVITIES		
Proceeds from private placement	8	**2,150,000**
Advances from related party	11	**30,000**
Proceeds in excess of shares issued for services		**12,340**
Issuance costs	8	**(3,500)**
		2,188,840
Change in cash and cash equivalents		**2,192,323**
Cash and cash equivalents, beginning of period		**-**
Cash and cash equivalents, end of period	5	**2,192,323**
Non-cash items:		
Acquisition of iAgent	4	**(625,000)**
Proceeds from issuance of share capital from treasury	8, 11	**200,000**

1. General information

Xigem Technologies Corporation ("Xigem" or the "Company") seeks to become a leading technology platform for the remote working economy. Using proprietary patented technology, the Company seeks to provide organizations with the infrastructure necessary to manage employees, assets, resources and other business operations in a remote working, learning and treatment environments. The Company was incorporated under the Business Corporations Act of Ontario on June 15, 2020. The Company's registered head office is located at 22 Adelaide Street West, Bay Adelaide Centre, East Tower, Suite 3600, Toronto, Ontario, M5H 4E3.

2. Basis of preparation

<u>Going concern</u>

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The realizable values may be substantially different from their carrying values, as shown in these financial statements. These financial statements do not affect adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

As of October 31, 2020, the Company had an accumulated deficit of $93,398. The Company has not yet been able to generate positive cash flows from operations. These conditions raise material uncertainties which may cast a significant doubt upon the Company’s ability to continue as a going concern. Whether and when the Company can generate sufficient cash flows to pay for its expenditures and settle its obligations as they fall due after October 31, 2020, is uncertain.

To address the going concern risk, the Company continues to seek equity financing alternatives (see **Note 15**) to support ongoing operations, monitor general and administrative expenses compared to budget, and optimize its operating processes.

<u>Statement of compliance</u>

Xigem's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee ("IFIRC"). These financial statements of the Company for the period ended October 31, 2020, were authorized for issuance by the Board of Directors on November ●, 2020.

<u>Basis of presentation</u>

The financial statements are prepared on a going concern basis using the historical cost method, as set out in the relevant accounting policies. The Company presents its classified statements of financial position distinguished between current and non-current assets and liabilities. Current assets and liabilities are expected to be settled within one year from the reporting period, and non-current assets and liabilities are those when the recovery or settlement is expected to be greater than a year from the reporting period. The accounting policies set out below have been applied consistently in all material respects.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company’s functional and presentation currency.

2. Basis of preparation (Cont'd)

Significant judgments

The preparation of the Company's financial statements under IFRS requires management to exercise judgment in applying the Company's accounting policies. Judgments made by management in the ongoing application of IFRS that have a significant effect on the financial statements are outlined below:

Going concern

Xigem applies judgment to determine whether there are material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

Intangible assets

The Company applies judgment to assess whether there are any indications that its intangible assets may be impaired. This assessment requires an assessment of external, internal and other indicators at the end of each reporting period.

Provisions and contingencies

Xigem will encounter possibly obligations arising from past events which will only be confirmed by the occurrence or non-occurrence of future events not wholly within the control of the Company or where the obligation cannot be reliably estimated. Xigem reviews such situations at each statement of financial position date and makes judgments on all information available to determine if an outflow of economic resources can be reliably estimated or not. If this is not possible, a contingency is reported for each material case.

Income taxes

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

Use of estimates and assumptions

The preparation of the Company's financial statements requires management to make estimates based on events and circumstances that existed at the statement of financial position date. Accordingly, actual results may differ from these estimates. Significant estimates made by management with a significant risk of material adjustment in the current and following years are discussed below:

Intangible assets

The Company estimates the useful life of its intangible assets, which include an assessment of the expected usage of the asset, product life-cycles, technological obsolescence and the period of control over the asset. The useful life impacts the amount of amortization recorded in profit or loss in during the year, and the corresponding reduction of the intangible asset value.

2. Basis of preparation (Cont'd)

Use of estimates and assumptions (Cont'd)

Share-based payments

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

Warrants

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

3. Significant accounting policies

Accounting pronouncements adopted during the period

IFRIC 23 – Uncertainty Over Income Tax Treatments ("IFRIC 23")

IFRIC 23 was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that the entity should consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If the entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses, and credits or tax rates consistent with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss) tax bases, unused tax losses, and credits or tax rates. This standard was adopted on June 15, 2010. The amendments did not have an impact on the Company's financial statements.

IFRS 3 – Business Combinations ("IFRS 3")

IFRS 3 was amended in October 2018 to clarify the definition of a business. The amended definition states that a business must include inputs and a process and clarifies that the process must be substantive, and the inputs and process must together significantly contribute to operating outputs. In addition, it narrows the definitions of a business by focusing on the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs and added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. This standard was adopted on June 15, 2020, resulting in no changes to the Company's financial statements.

3. Significant accounting policies (Cont'd)

Future accounting pronouncements

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and
IAS 28 – Investments in Associates and Joint Ventures ("IAS 28")

IFRS 10 and 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 the 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. The Company has not assessed the effect of these pronouncements on its financial statements.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is determined by incorporating all factors that market participants would consider in setting a price acting in their economic best interests, including commonly accepted valuation approaches.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability that is accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its "highest and best use" or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3. Significant accounting policies (Cont'd)

Recognition and measurement of financial assets and liabilities

Financial assets include cash and cash equivalents, indirect taxes recoverable and due from related parties. Financial liabilities include accounts payable and accrued liabilities and due to related parties. The Company determines the classification of its financial assets and financial liabilities at initial recognition. The classification of financial instruments depends on the purpose for which they are acquired or incurred. Financial instruments are initially recorded at fair value and, in the case of financial assets or liabilities carried at amortized cost, adjusted for directly attributable transaction costs.

The fair value of a financial instrument is the amount of consideration that could be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. In certain circumstances, however, the initial fair value may be based on other observable current market transactions in the same instrument without modification or a valuation technique using market-based inputs.

The fair value of other assets and accounts payable and certain other liabilities are estimated based on discounted future cash flows using discount rates that reflect current market conditions for instruments with similar terms and risks.

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are no longer recognized when the rights to receive cash flows from the assets have expired or are assigned, and all the risks and rewards of ownership have been transferred to a third party. Financial liabilities are no longer recognized when the related obligation expires or is discharged or canceled.

The following table outlines the financial assets and liabilities and their classification of those values:

Financial instrument	Classification
Financial assets:	
Cash and cash equivalents	FVTPL
Indirect taxes recoverable	Amortized cost
Due from related parties	Amortized cost
Financial liabilities:	
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

Financial assets

The Company's financial assets are classified and measured based on both the business model in which the assets are managed and the asset's contractual cash flow characteristics. Financial assets subsequent to initial recognition are classified and measured based on three categories: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI") with fair value gains or losses recycled to net income on derecognition for loans and receivables only; or (iii) fair value through profit and loss ("FVTPL").

3. Significant accounting policies (Cont'd)

Recognition and measurement of financial assets and liabilities (Cont'd)

Financial assets (Cont'd)

Financial assets at amortized cost

Financial assets are recorded at amortized cost when financial assets are held to collect contractual cash flows, and those cash flows represent payments of principal and interest solely and are not designated as FVTPL. These assets are measured at amortized cost subsequent to initial recognition using the effective interest method. This method uses an effective interest rate that discounts estimated future cash receipts through the expected life of the financial asset or liability to the net carrying amount of the financial asset or liability. The amortized cost is reduced by impairment losses if any. Interest income and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial assets at FVOCI

These financial assets are measured at fair value after initial recognition. For debt instruments held to collect contractual cash flows and sell financial assets, interest income is calculated using the effective interest method, and impairment is recognized in profit or loss. Other net fair value gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. For equity instruments not held for trading and where an election to present changes in the fair value subsequent to the initial recognition of such instruments in other comprehensive income is made, dividends are recognized in profit or loss, unless the dividend clearly represents a recovery of part of the investment cost. Other net fair value gains and losses are recognized in OCI and are never reclassified to profit or loss. Regular way transactions are recorded on a trade date basis.

Financial assets at FVTPL

These financial assets are neither held at amortized cost nor at FVOCI as they are managed and evaluated on a fair value basis. These financial assets are measured at fair value subsequent to initial recognition. Net gains and losses, including any interest or dividend income, are recognized in profit or loss unless they are derivative instruments designated in an effective hedging relationship.

Financial liabilities

Financial liabilities are initially measured at fair value, and subsequent to initial recognition, are classified and measured based on two categories: (i) amortized cost; or (ii) FVTPL.

Financial liabilities at amortized cost

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

3. Significant accounting policies (Cont'd)

Derecognition and measurement of financial assets and liabilities

Financial liabilities (Cont'd)

Financial liabilities at FVTPL

A financial liability is classified as FVTPL if it is classified as held for trading. It is derivative or designated as FVTPL on initial recognition. Financial liabilities at FVTPL are subsequently measured at fair value, and net gains and losses, including any interest expenses, are recognized in profit or loss unless they are derivative instruments designated in an effective hedging relationship.

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows or the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented on the statement of financial position, only when the Company has a legally enforceable right to offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Impairment of financial assets

Expected credit losses (“ECLs”) is the probability-weighted estimate of credit losses. The Company recognizes loss allowances for ECLs on financial assets measured at amortized cost and contract assets.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to the lifetime ECLs.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets and the Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities to comply with the Company’s procedures for recovery of amounts due.

3. Significant accounting policies (Cont'd)

Impairment of financial assets (Cont'd)

At each reporting date, each financial asset measured at amortized cost is assessed for impairment under an expected credit loss ("ECL") model. The Company applies the simplified approach which uses lifetime ECLs for accounts receivable and other receivables.

Income taxes

The Company is subject to tax under *Part I* of the *Income Tax Act of Canada* and is subject to the general rate applicable to Canadian corporations. Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive loss or directly in equity, respectively.

Current income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences to unused tax losses.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in Canada, where the Company and its subsidiaries and associates operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, based on amounts expected to be paid to the tax authorities.

Deferred income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Share-based compensation

Where equity instruments are granted to employees, they are recorded at the fair value of goods and services received in the statement of loss and comprehensive loss. The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. When the value of goods and services received in exchange for the share-based payment cannot be reliably estimated, the goods or services received are measured, indirectly, by reference to the fair value of equity instruments granted, measured at the date the Company obtains the goods or the counterparty renders the service.

3. Significant accounting policies (Cont'd)

Financial derivatives – Warrants

A financial derivative such as a warrant that will be settled with the issuing of the Company's equity instruments will be classified as an equity instrument if the derivative is used to acquire a fixed number of the Company's equity instruments for a fixed amount of Canadian dollars.

A financial derivative will be considered as a financial liability at fair value through profit or loss if it is used to acquire either a variable number of equity instruments or consideration in a foreign currency, and the warrants were not offered pro-rata to all existing owners of the same class of non-derivative equity instruments.

The fair value of warrants is determined upon their issuance either as part of private placements or in settlement of issuance costs and finders fees, using the Black-Scholes model. All such warrants are classified in warrant reserve, within equity. If the warrants are converted, the value attributable to the warrants is transferred to common share capital. Upon expiry, the amounts recorded for expired warrants is transferred to equity from the warrant reserve. Shares are issued from treasury upon the exercise of share purchase warrants.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, unrestricted cash, balances with banks, deposits held in trust, and short-term deposits.

Intangible assets

Intangible assets, including patents, licenses and trademarks that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses. Subsequent expenditures are capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

The estimated useful life for licenses and trademarks is 5 years. Amortization is calculated to write of the intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is recognized in profit or loss. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable. If any such indication is present, the recoverable amount of the asset is estimated to determine whether impairment exists. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. Finite life intangible assets not yet available for use are tested annually for impairment.

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

3. Significant accounting policies (Cont'd)

Impairment of non-financial assets (Cont'd)

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

Research and development

Expenditures during the research phase are expensed as incurred. Expenditures during the development phase are capitalized as internally generated intangible assets if the Company can demonstrate each of the following criteria:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible assets and use or sell it;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Provisions

Provisions are recognized when present (legal or constructive) obligations resulting from a past event will lead to a probable outflow of economic resources, and amounts can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. The Company performs evaluations to identify onerous contracts and, where applicable, records provisions for such contracts. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the possible outflow of economic resources as a result of present obligations is considered remote, no liability is recognized.

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects. Preferred shares are classified as equity if it is non-redeemable or redeemable only at the Company's option and dividends are discretionary. Dividends thereon are recognized as distributions within equity upon approval of the Company's shareholders.

Loss per share

The basic loss per common share is calculated by dividing net loss by the weighted average number of common shares outstanding during the year. Diluted net loss per common share is calculated by dividing the applicable net loss by the sum of the weighted average number of common shares outstanding and all additional shares that would have been outstanding if potentially dilutive common shares had been issued during the year.

The dilutive effect of shares on net comprehensive loss per share is calculated by determining the proceeds for the exercise of such securities, which are then assumed to be used to purchase common shares of the Company. Instruments that would be anti-dilutive are not included in the calculation of diluted loss per share.

(Expressed in Canadian dollars)

4. Acquisition of iAgent

On October 20, 2020, the Company acquired the licensing rights to a Simultaneous Messaging Systems and Methods ("iAgent"), a U.S. patented technology from 2781705 Ontario Inc. ("XCo.") for $625,000 (**Note 6**) in exchange for 25,000,000 units at $0.025 per unit. Each unit consisted of one common share and one-half purchase warrant to acquire a further common share at $0.035 per share (**Note 8**).

The licensing agreement grants Xigem an exclusive, worldwide and royalty bearing license which will enable the Company to make use of and commercialize United States patents and certain pending patent applications (the "Patents"), held by XCo., which enable a method of communicating with a number of active mobile devices, each associated with an active user.

The Company accounted for the purchase as an asset acquisition. The purchase price has been allocated to licenses and trademarks and is being amortized over a term of 5 years. As part of the arrangement Xigem will pay to XCo. a royalty fee of 10% of the gross selling price of any iAgent application.

5. Cash and cash equivalents

	31-Oct-20
	$
Cash, held with Canadian chartered banks	2,037,323
Cash, held in trust	155,000
	2,192,323

Cash held in trust consists of the proceeds from the private placement (**Note 8**) during the period ended October 31, 2020, held in trust by the Company's legal counsel, less amounts transferred to the Company's bank account. The balance will be used to fund the Company's working capital requirements.

The funds remain available to the Company on-demand and are deposited to the Company's bank account upon request from management.

6. Intangible assets

	Note	Licenses and trademarks	Total
		$	$
Cost			
June 15, 2020		-	-
Acquisition of iAgent	4	625,000	625,000
October 31, 2020		**625,000**	**625,000**
Accumulated amortization			
June 15, 2020		-	-
Amortization		3,767	3,767
October 31, 2020		**3,767**	**3,767**
Net book value			
At October 31, 2020		**621,233**	**621,233**

(Expressed in Canadian dollars)

6. Intangible assets (Cont'd)

On October 20, 2020, the Company acquired the licensing rights to a Simultaneous Messaging Systems and Methods ("iAgent"), a U.S. patented technology (U.S. patent numbers: 9,756,492, 10,149,127, 10,149,128, and 10,405,151) from XCo. for $625,000 in exchange for 25,000,000 units at $0.025 per unit. Each unit consisted of one common share and one-half purchase warrant to acquire a further common share at $0.035 per share (**Note 8**). iAgent's current functionality consists of a comprehensive cloud-computing solution for remote business operations, giving increased safety and access to remote virtual work, learning and treatment environments. The Company's focus is synchronizing business practice and management productivity.

7. Income taxes

Income tax expense

The following table reconciles the income taxes calculated at the combined Canadian federal and provincial tax rates with the income tax expense as recognized in the statement of loss and comprehensive loss:

	4 months ended 31-Oct-20
	$
Loss before income taxes	**(87,590)**
Statutory rate	**26.50%**
Expected tax recovery	**(23,211)**
Increase (decrease) in income tax expense due to:	
Non-capital loss carryforwards not recognized	**22,527**
Share-based payments	**6,492**
Intangible assets	**5,808**
Excess of capital cost allowance over amortization	**(5,808)**
	5,808

Deferred income taxes

The temporary differences that give rise to deferred income tax assets and liabilities are presented below:

	31-Oct-20
	$
Intangible assets	**(5,808)**
Non-capital loss carryforwards	**22,527**
Less: amount not recognized	**(22,527)**
	(5,808)

Tax losses carried forward

The Company has non-capital loss carryforwards for income tax purposes of $85,008, which expire in 2040. These losses may be available to reduce taxable income in future years. The potential benefit of these losses have not been recognized in the financial statements as deferred income tax assets.

(Expressed in Canadian dollars)

8. Equity

Authorized

Unlimited	Common shares.
Unlimited	First Preference Shares, voting or non-voting, non-cumulative, issuable in series with rights, privileges, restrictions and conditions determined by the directors and officers of Xigem.

Issued and outstanding

		31-Oct-20
		$
132,473,600	Common shares	**2,347,426**

Shares issued from treasury

On June 15, 2020, the Company issued 20,000,000 common shares at $0.010 per share for gross proceeds of $200,000 (**Note 11**).

Private placement

On October 29, 2020, the Company completed a private placement of 86,000,000 units at $0.025 per unit for gross proceeds of $2,150,000. Each unit consisted of one common share and one-half purchase warrant to acquire a further common share at $0.035 per share. The warrants have been allocated a fair value of $505,351.

Issuance costs

Issuance costs of $3,500 for the period ended October 31, 2020, associated with the private placement have offset share capital on the statement of financial position.

Share-based payments

On October 29, 2020, the Company issued 1,473,600 units at $0.025 to a consultant for services performed during the period October 31, 2020. Each unit consisted of one common share and one-half purchase warrant to acquire a further common share at $0.035 per share. The fair value of the services received was $36,840. The warrants have been allocated a fair value of $8,659.

(Expressed in Canadian dollars)

8. Equity (Cont'd)

Warrants

As of October 31, 2020, the Company had the following warrants outstanding with the corresponding average exercise prices:

	Weighted-avg. expiry date	Number of warrants	Weighted-avg. exercise price
		#	$
Balance June 15, 2020		-	-
Warrants issued from private placement	29-Oct-21	43,000,000	0.035
Warrants issued for acquisition of iAgent	20-Oct-21	12,500,000	0.035
Warrants issued for services	29-Oct-21	736,800	0.035
Balance October 31, 2020		**56,236,800**	**0.035**

The fair value was determined using the Black-Scholes pricing model using the assumptions as follows:

		31-Oct-20
Fair value	$	0.012
Share price	$	0.025
Exercise price	$	0.035
Expected volatility		150%
Expected life		1.00
Expected dividends		-
Risk-free interest rate		0.25%

Expected volatility has been based on an evaluation of comparable companies to Xigem. The expected term of the instruments has been based on management's experience and general holder behavior. As of October 31, 2020, nil warrants were exercised, and the weighted average remaining contractual lives of the warrants was 1.00 year.

Maximum share dilution

The following table presents the maximum number of shares that would be outstanding if all outstanding warrants were exercised as of October 31, 2020:

	31-Oct-20
	#
Common shares outstanding	**132,473,600**
Warrants to purchase common shares	**56,236,800**
Fully diluted common shares outstanding	**188,710,400**

(Expressed in Canadian dollars)

9. Loss per share

	4 months ended 31-Oct-20
	$
Net loss attributable to shareholders	**(93,398)**
Weighted-average common shares outstanding:	
Basic	**23,260,487**
Dilutive effect of warrants	**-**
Diluted	**23,260,487**
Net loss per share attributable to shareholders:	
Basic and diluted	**(0.004)**

10. Financial instruments – fair values and risk management

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial asset, including its level in the fair value hierarchy.

	Level	Carrying value	31-Oct-20 Fair value
		$	$
Cash and cash equivalents	Level 1	**2,182,323**	**2,182,323**

Transfers

During the period ended October 31, 2020, there have been no transfers between Level 1, Level 2, and Level 3.

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

Management considers credit risk and market risk to be low.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

(Expressed in Canadian dollars)

10. Financial instruments – fair values and risk management (Cont'd)

Financial risk management (Cont'd)

Risk management framework (Cont'd)

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on liabilities (other than trade payables) over the next 60 days. The Company also monitors the level of expected cash inflows on trade and other receivables, together with the expected outflows on trade and other payables.

The Company's exposure to liquidity risk is $86,765 as of October 31, 2020, for which the Company has available cash and cash equivalents to pay its liabilities of $2,182,323 as of October 31, 2020. There have been no changes to the method for managing liquidity risk.

11. Related party transactions and balances

	31-Oct-20
	$
Due from related parties	
Due from shareholders	**200,000**
Due to related party	
Due from 2294573 Ontario Inc., related by common ownership	**(30,000)**

Due from (to) related parties

The amounts due from related parties from certain directors and shareholders of the Company and relate to the initial share capital purchased from treasury on incorporation of $200,000. The amount due to a related party relates to cash advances received. The amounts are unsecured, non-interest bearing, due on demand, and have no formal terms of repayment.

Key management personnel transactions

The director of the Company controls 2% of the voting shares of the Company.

12. Capital management

Xigem defines capital as its equity. The Company's objective when managing capital is: (i) to safeguard the ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits to other stakeholders; and (ii) to provide an adequate return to shareholders by obtaining an appropriate amount of financing commensurate with the level of risk.

The Company sets the amount of capital in proportion to the risk. Xigem manages its capital structure and makes adjustments in light of the changes in economic conditions and the characteristic risk of underlying assets. To maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares, or sell assets to reduce debt. Xigem's objective is met by retaining adequate liquidity to provide for the possibility that cash flows from assets will not be sufficient to meet operational, investing, and financing requirements.

There have been no changes to the Company's capital management policies during the period ended October 31, 2020.

13. Segmented information

In measuring its performance, the Company does not distinguish or group its operations on a geographical or any other basis and accordingly has a single reportable operating segment.

Management has applied judgment by aggregating its operating segments into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations and an expectation of operating segments within a reportable segment with similar long-term economic characteristics.

The Company's Chief Executive Officer is the chief operating decision-maker and regularly reviews Xigem's operations and performance on an aggregate basis. Xigem does not have any significant customers or any significant groups of customers.

14. Contingencies

The Company is not contingently liable with respect to litigation, claims, and environmental matters, including those that could result in mandatory damages or other relief. Any expected settlement of claims in excess of amounts recorded will be charged to the statements of loss and comprehensive loss as and when such determination is made.

15. Commitments

On October 20, 2020, and in connection with the acquisition of iAgent (**Note 4**), Xigem entered into a management services agreement with XCo. The Company is obligated to pay US $20,000 a month for development, maintenance, and support services. The Company can cancel at the earlier of: (i) completion of Xigem’s platform; (ii) 30-days written notice by either Xigem or XCo.; or (iii) mutual consent. As of October 31, 2020, no services had been received under the agreement.

16. Other events

Reverse take-over transaction

On September 22, 2020, 10557536 Canada Inc. ("105") entered into a non-binding letter of intent with Xigem. The letter of intent outlines proposed terms and conditions pursuant to which 105 and Xigem will effect a business combination that will result in a reverse takeover of 105 by the shareholders of Xigem (the "Proposed Transaction").

As of the date of issuance of these financial statements, Xigem has 132,473,600 common shares and 56,236,800 common share purchase warrants outstanding. 105 has 4,473,254 common shares, 125,000 common share purchase warrants and 1,000,000 options.

In connection with the closing of the Proposed Transaction, it is expected, among other things:

- 105 will split all of its issued and outstanding common shares (the "105 Common Shares") based on a ratio of approximately 1.6453 post-split 105 Common Share for every one pre-split 105 Common Shares ("Share Split");
- Xigem and 105's subsidiary will be amalgamated under the *Business Corporations Act (Ontario)* (the "Amalgamation" and the resulting amalgamated entity ("Amalco") will become a wholly-owned subsidiary of 105;
- each Xigem Common Share will be cancelled, and the former holders of Xigem Common Shares will receive one half of one (0.5) Resulting Issuer Common Share for each Xigem Common Share held by them;
- other securities of Xigem (including warrants that are exercisable into Xigem Common Shares) will be cancelled, and the former holders of such securities will receive economically equivalent securities of the Resulting Issuer; and
- the Resulting Issuer will be renamed "Xigem Technologies Inc.", or such other name as determined by Xigem (the "Name Change").

On November 17, 2020, the Company and Xigem entered into a business combination agreement. A copy of the business combination agreement is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. The business combination agreement incorporates principal terms of the Transaction (as specified by the non-binding letter of intent) and provides the basis upon which 105 and Xigem will effect the Transaction in compliance with the Exchange's requirements.

The Transaction is subject to a number of conditions including, but not limited to the following:
(i) the Resulting Issuer will have obtained conditional approval of the Canadian Securities Exchange ("CSE") for the listing on the CSE of the Resulting Issuer Common Shares, as required by CSE policies;
(ii) the issuance of a receipt from the Ontario Securities Commission ("OSC") for the final Prospectus;
(iii) the Resulting Issuer shall have obtained a conditional approval letter from CSE for the transitions; contemplated by the Business Combination Agreement, including the listing on the CSE of the Resulting Issuer's common shares;
(iv) 105 shall hold an annual general and special meeting of its shareholders (the "105 Shareholder Meeting"), and shall prepare a circular in connection therewith (the "105 Circular") to approve certain matters relating to the Transaction, including the directors to be appointed to the board of the Resulting Issuer upon closing, the Share Split and Name Change; and
(v) Certain other customary closing conditions.

The Resulting Issuer will seek to become a leading technology platform for the remote economy by providing a comprehensive cloud-computing solution for business operators through virtual work environments.

16. Other events (Cont'd)

COVID-19

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which will include the implementation of travel bans, self-imposed quarantine periods and social distancing have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown, as is the efficacy of the government and central bank interventions.

Management cannot accurately predict the future impact COVID-19 may have on: (i) the severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labor availability; (ii) availability of essential supplies; (iii) purchasing power of the Canadian dollar; and (iv) ability to obtain additional funding.

At the date of the approval of the financial statements, the Canadian government has not introduced measures which impede the activities of the Company. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and conditions of the Company in future periods.

APPENDIX C1

COMPANY MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED OCTOBER 31, 2020

Xigem Technologies Corporation

Management's Discussion and Analysis

As at October 31, 2020, and for the period June 15, 2020
(date of incorporation) to October 31, 2020

Introduction

This Management's Discussion and Analysis ("MD&A") is provided to enable a reader to assess the results of operations and financial condition of Xigem Technologies Corporation for the period ended October 31, 2020. This MD&A is dated November ●, 2020 and should be read in conjunction with the annual audited financial statements and related notes for the period ended October 31, 2020 ("Financial Statements"). Unless the context indicates otherwise, references to "Xigem", "the Company", "we", "us" and "our" in this MD&A refer to Xigem Technologies Corporation and its operations.

Forward-Looking Information

Certain information included in this MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made in *Business Overview and Strategy, Results from Operations, Debt Profile* and other statements concerning Xigem's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Such forward-looking information reflects management's beliefs and is based on information currently available. All forward-looking information in this MD&A is qualified by the following cautionary statements.

Forward looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond Xigem's control, affect the operations, performance and results of the Company and its subsidiaries, and could call actual results to differ materially from current expectations of estimated or anticipated events or results.

Although Xigem believes that the expectations reflected in such forward-looking information are reasonable and represent the Company's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially include but are not limited to: **Business Overview**, **Results from Operations**, **Liquidity and Capital Resources**, **Capital Structure**. See **Risks and Uncertainties** for further information. The reader is cautioned to consider these factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this MD&A is made as of the date of this MD&A and should not be relied upon as representing Xigem's views as of any date subsequent to the date of this MD&A. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Business Overview and Growth Strategy

Business Overview

Xigem was founded and is led by skilled entrepreneurs and operators, with extensive start-up experience and a proficiency in the capital markets and was established to address increasing opportunities emerging from the Remote Economy.

The Xigem Platform is based on a US patented technology 15/651,458 filed on July 17, 2017 and titled "SIMULTANEOUS MESSAGING SYSTEMS AND METHODS", which is a continuation-in-part of U.S. Patent Application No. 15/182,029 filed on June 14, 2016 and titled "SIMULTANEOUS MESSAGING SYSTEM AND METHOD" (now US Patent No. 9,756,492 issued on September 5, 2017) (the "Platform" or the "Xigem Platform") and consists of a comprehensive cloud-computing solution for remote business operations, giving increased safety and access to remote virtual work environments. The Platform's focus is synchronizing business practice and management productivity.

The Platform will generate revenue through a variety of platform-as-a-service ("PaaS") models. The subscription plans offered to customers will vary depending on the level of service the customers opt into. Every contract will be tailored to the customers' needs dependent on the criteria best suited for their business. The Company anticipates significant platform usage supported by its highly targeted sales and marketing strategies.

On September 22, 2020, 10557536 Canada Inc. ("105") entered into a non-binding letter of intent with Xigem, with proposed terms and conditions pursuant to which 105 and Xigem will effect a business combination that will result in a reverse takeover of 105 by the shareholders of Xigem (the "Proposed Transaction"). See **Other Events**.

Xigem's business objectives are to complete the customization and upgrading of the Platform and a soft commercial launch in the telehealth industry within approximately 24-months of the completion of the Proposed Transaction

Developments in fiscal 2020

On October 20, 2020, the Company acquired the licensing rights to a Simultaneous Messaging Systems and Methods ("iAgent"), a U.S. patented technology from 2781705 Ontario Inc. ("XCo.") for $625,000 in exchange for 25,000,000 units at $0.025 per unit. Each unit consisted of one common share and one-half purchase warrant to acquire a further common share at $0.035 per share. See **Acquisition**.

On October 29, 2020, the Company completed a private placement of 86,000,000 units at $0.025 per unit for gross proceeds of $2,150,000. Each unit consisted of one common share and one-half purchase warrant to acquire a further common share at $0.035 per share. The warrants have been allocated a fair value of $505,351. See **Liquidity and Capital Resources**.

In October 2020, Xigem began commercial development of the Platform, including formalization of board recruitment, executive level recruitment and mid-service level recruitment.

Market Overview

Remote work is changing how the global workspace operates. In 2016, the number of American workers working remotely was 43%[1]. It is estimated that by 2028, 73% of all departments will have remote workers, with 33% of the full-time employees working remotely.[2]

[1] Gallup, Inc. "State of the American Workspace." Gallup, 2019.
[2] Upwork Inc. "U.S. Business Hiring Trends - Upwork Future Workforce Report." Upwork, 2019.

Business Overview and Growth Strategy (Cont'd)

Market Overview (Cont'd)

Approximately 70% of the American workforce is positioned to work remotely at least five days each month by 2025.[3] In lieu of the COVID-19 pandemic, the demand for a remote work economy has been rapidly accelerating. This has led to a growing need for specialized products and services catering to business operations that exceed the physical boundaries of the office floor.

Organizations around the world are proactively building information technology departments to support the sector as the adoption of remote work continues to grow. Governments and labor unions are updating labor market regulations as labor reforms are beginning to emerge and complement new organizational models. The World Economic Forum issued a stable employment outlook for remote work over the coming five years, with a positive impact on the growth in the number of jobs due to mobile internet and cloud technology, signaling the widespread application of telework.[4]

For the successful adoption of a distributed workplace, organizations need to compensate for physical efficiencies lacking in a home environment. The right tools are necessary for working experiences to enable management and employees to be as productive as possible when they work from home.

With consistent innovation in communication technology, an increasing number of professionals are working remotely either from home, a customer's location, or simply from the road with the use of mobile and other portable devices. Some major companies have partially or fully eliminated traditional offices in favor of remote work solutions. Organizations will continue streamlining operations as emergency preparation and as education and consulting resources increase, businesses will feel more supported in the conversion process and will quickly adopt the benefits of distributed operations, including better controlled overhead costs and higher productivity.

Technology Overview

The Xigem Platform was built on the framework provided by the iAgent Application and consists of a comprehensive cloud-computing solution for remote business operations, giving increased safety and access to remote virtual work environments. The Platform's focus is synchronizing business practice and management productivity, providing virtual, face-to-face interactions instantly anywhere in the world.

Through various business and project management applications, the Platform will enhance collaboration and unified communications amongst staff and customers. The Platform will also leverage mobile tools to enable greater accessibility and efficiency to customer workflow strategies, employees and remote workers. The Platform exists in the form of an easily accessible web and mobile application and will be customized to each customer's specific business needs and operating goals. The Company intends to market the Platform in a number of industries including the insurance industry, telehealth and e-learning.

[3] Messenger, Jon C. "Telework in the 21st Century: an Evolutionary Perspective." Edward Elgar Publishing, 2019.

[4] World Economic Forum. "The Future of Jobs - Employment, Skills and Workforce Strategy for the Fourth Industrial Revolution." The Future of Jobs, World Economic Forum, 2020.

Business Overview and Growth Strategy (Cont'd)

Technology Overview (Cont'd)

Primary Functions of the Platform

The Company strives to become the global go-to platform for managing remote business operations. Having built the capabilities to facilitate remote business operations, the Platform's key functionality exists in the form of an easily accessible web and mobile application to give customers the infrastructure necessary for managing their organization remotely. The Platform will have several key functions including:

Worker-Specific Routine and Task Log

Organizational structures each require a completely unique setup of routines and service tasks. The Platform will enable customers to create them for specific sub-groups and profiles, allowing businesses to personalize job roles and routines. In many cases businesses will want to restrict access and information available to workers. The Platform will control their main site's visibility with features that empower clients to hide tasks and block employee access. Additionally, permission settings will allow a manager to decide who can view, edit, or change tasks or sections of the software. A key part of managing a project effectively lies in vetting the access of each user on the Platform. Metering out permissions will also help project managers avoid having to track down the sources of unauthorized changes to tasks or entire phases of the project.

Worker Visibility and Monitoring

The Platform's key advantage is that it will enable managers to monitor what's happening with all remote workers and send/receive information on in-the-field workers. Through geolocation monitoring, time stamping, task tracking, and live updates, triggers send alerts to the appropriate people, who can then act quickly on the information. Workers will be able to process jobs using their smartphone or tablet, easily capturing a range of proof of service details such as verified time spent on the job, GPS location, time-stamped photos of completed work and a customer's signature.

Remote Order Management

The Platform's online dashboard will enable organizations to view their entire workforce in real time and make better decisions about how to deploy individuals and teams. The Platform will let organizations streamline their remote work order management to maximize efficiency and minimize costs. Using the dispatch software, organizations will be able to gain transparency in the time allocation of workers or employees per job, equipment availability and existing commitments.

Segmentation of Worker Groups and Profiles

Management structures vary between organizations' group designations for segmenting remote workers. The Platform's design will enable customers to classify workers into groups, allowing businesses to set time slots, minimum task requirements and group-specific content (like objectives, opportunities, and structures) for each segment. Workers are segmented by their individual profiles, including geographical location, task volumes, availability, frequency of work, and more. By segmenting workers into specific groups, businesses can ensure that remote working tasks are customized according to specific profile selections.

Business Overview and Growth Strategy (Cont'd)

Technology Overview (Cont'd)

Planning, Scheduling and Proof-of-Work

The Platform will enable managers to assemble the team and list resources. Customers will be able to use the Platform's built-in solution or integrate with existing project management systems to schedule tasks, forecast a completion date, and allocate resources appropriately. The Platform will provide mobile workers with the apps they need to manage work orders, capturing proof of service and digital sign-off on jobs. Every remote worker's data will be immediately synced into the billing system for faster turnaround, better cash flow and easier resolution of customer disputes.

Organizational Portal

The Platform's organization portal is the primary means of providing teams with easy and efficient access to data that can help them make more informed decisions and, therefore, improve their job performance and organizational success.

Customer Portal

The customer service portal is designed to be accessed directly by end users without the need to involve the organization. Accessible through the customer's website, these portals operate completely over the internet, and include functions, databases, FAQ pages, and more that are open to the end user. End users simply connect through a web browser to perform a variety of self-service tasks.

Growth Strategy

The Company's marketing efforts will be directed toward executing the objectives of building awareness and driving traffic to the online platform. The combination of creative advertising and partnerships with traffic generating sites is expected to result in many who will become loyal, repeat customers. The Company expects to use a variety of marketing tools including grassroots marketing, web advertising, affiliate marketing programs, public relations, and key strategic alliances to drive traffic.

The Company aims to do this by:

- Emphasize a 'product first' approach by directing funds and efforts towards the betterment of the Platform to surpass customers' expectation on functionality and experience;
- Building long-term relationship relationships with customers, advertising partners, medical institutions and offices, academic and other education facilities; and
- Focus on offerings proactively to customers specifically aligned with the solutions provided by Xigem.

Presentation of Financial Information and Non-IFRS Measures

Presentation of Financial Information

Unless otherwise specified herein, financial results, including historical comparatives, contained in this MD&A are based on Xigem's 2020 Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations Committee ("IFIRC"). Unless otherwise specified, amounts are in Canadian dollars and percentage changes are calculated using whole numbers.

Non-IFRS Measures

In addition to the reported IFRS measures, industry practice is to evaluate entities giving consideration to certain non-IFRS performance measures, such as earnings before interest, taxes, depreciation and amortization ("EBITDA") or adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA").

Management believes that these measures are helpful to investors because they are widely recognized measures of Xigem's performance and provides a relevant basis of comparison to other entities. In addition to IFRS results, these measures are also used internally to measure the operating performance of the Company.

These measures are not in accordance with IFRS and have no standardized definitions, and as such, our computations of these non-IFRS measures may not be comparable to measures by other reporting issuers. In addition, Xigem's method of calculating non-IFRS measures may differ from other reporting issuers, and accordingly, may not be comparable.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is used as an alternative to net income because it includes major non-cash items such as interest, taxes and amortization, which management considers non-operating in nature. A reconciliation of EBITDA to IFRS net income is presented under the section **Results from Operations** of this MD&A.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")

Adjusted EBITDA is used as an alternative to net income because it excludes major non-cash items such as amortization, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature. A reconciliation of adjusted EBITDA to IFRS net income is presented under section **Results from Operations** of this MD&A.

Results from Operations

Select Annual Information

	4 months ended 31-Oct-20
	$
Operating results	
Loss before tax	**(87,590)**
Net loss and comprehensive loss	**(93,398)**
Per share basis	
Basic and diluted loss per share	**(0.004)**

(Expressed in Canadian dollars)

Results from Operations (Cont'd)

Select Annual Information (Cont'd)

		October 31, 2020
Total assets	$	3,017,515
Total debt (ii)	$	66,765
Debt to total assets (i) (iii)		2%
EBITDA (i) (iv)	$	(87,590)
Adjusted EBITDA (i) (iv)	$	(63,090)

(i) Represents a non-IFRS measure. The Company's method for calculating non-IFRS measures may differ from other reporting issuers' methods and accordingly may not be comparable. For definitions and basis of presnetation of non-IFRS measures, refer to **Non-IFRS Measures**.
(ii) Total debt is defined as accounts payable and accrued liabilities.
(iii) Debt to total assets is a non-IFRS measure and is calculated as total debt divided by total assets.
(iv) EBITDA and Adjusted EBITDA is calculated on a trailing twelve month basis. Refer to **Non-IFRS Measures**.

Revenues

The Company does not currently generate any revenues from operations (see **Risks and Uncertainties**). The Company will generate revenue through a variety of platform-as-a-service ("PaaS") models. Subscription plans offered to customers can vary considerably depending on the level of service and will be tailored based on the needs of the user given their business and industry.

Operating Expenses

	4 months ended 31-Oct-20
	$
Share-based payments	24,500
Professional fees	59,306
Amortization of intangible assets	3,767
Interest and bank charges	17
	87,590

Share-based payments for the period ended October 31, 2020 was $24,500, which relates to an issuance of 1,473,600 units at $0.025 to a consultant for services performed.

Professional fees for the period ended October 31, 2020 was $59,306. The $59,306 relates to consulting services relating to consulting services to various vendors relating to the Transaction and accrued audit fees of $5,000.

Amortization for the period ended October 31, 2020 was $3,767 relating to the stub-period amortization of iAgent (see **Acquisition**).

(Expressed in Canadian dollars)

Results from Operations (Cont'd)

EBITDA and Adjusted EBITDA

The following table presents a summary of the non-IFRS measures that management uses to assess Xigem's operating performance for the period ended October 31, 2020:

	4 months ended 31-Oct-20
	$
Net loss and comprehensive loss	**(93,398)**
Add (deduct):	
Deferred taxes	**5,808**
EBITDA (i)	**(87,590)**
Add:	
Share-based payments	**24,500**
Adjusted EBITDA (i)	**(63,090)**

(i) Refer to non-IFRS measures section of this MD&A for further details.

Acquisition

On October 20, 2020, the Company acquired the licensing rights to a Simultaneous Messaging Systems and Methods ("iAgent"), a U.S. patented technology from 2781705 Ontario Inc. ("XCo.") for $625,000 in exchange for 25,000,000 units at $0.025 per unit. Each unit consisted of one common share and one-half purchase warrant to acquire a further common share at $0.035 per share.

The licensing agreement grants Xigem an exclusive, worldwide and royalty bearing license which will enable the Company to make use of and commercialize United States Patents: 9,756,492, 10,149,127, 10,149,128 and 10,405,151 and certain pending patent applications (the "Patents"), held by XCo., which enable a method of communicating with a number of active mobile devices, each associated with an active user. The method may include communicating with and receiving location data from those devices. In response to receiving a prompt from a user, a qualified active mobile device can be identified near the engagement location. The selected qualified active mobile device can correspond to the qualified user account with a response to their prompt.

The Xigem Platform (the "Platform") will be built on the framework provided by iAgent and will consist of a comprehensive cloud-computing solution for remote business operations, giving increased safety and access to remote virtual work environments. The Platform's focus is synchronizing business practice and management productivity, providing virtual, face-to-face interactions instantly anywhere in the world.

Through various business and project management applications, the Platform will enhance collaboration and unified communications amongst staff and customers. The Platform will also leverage mobile tools to enable greater accessibility and efficiency to customer workflow strategies, employees and remote workers. The Platform exists in the form of an easily accessible web and mobile application and will be customized to each customer's specific business needs and operating goals. The Company intends to market the Platform in a number of industries including the insurance industry, telehealth and e-learning.

The Company accounted for the purchase as an asset acquisition. The purchase price over net assets acquired has been allocated to licenses and trademarks and is being amortized over a term of 5 years. As part of the arrangement Xigem will pay to XCo. a royalty fee of 10% of the gross selling price of any iAgent application.

(Expressed in Canadian dollars)

Liquidity and Capital Resources

Liquidity and Cash Management

The Company expects to meet all its obligations and other commitments as they become due. The Company has various financing sources to fund operations and will continue to fund working capital needs through these sources until cash flows generated from operating activities is sufficient.

Capital Management Framework

Xigem defines capital as the aggregate of common shares and debt. The Company's capital management framework is designed to maintain a level of capital that funds the operations and business strategies and builds long-term shareholder value.

The Company's objective is to manage its capital structure in such a way as to diversify its funding sources, while minimizing its funding costs and risks. For 2021, Xigem expects to be able to satisfy all of its financing requirements through use of some or all of the following: cash on hand, cash generated by operations, and through the public offerings of common equity (see **Other Events**).

Capital Structure

Xigem's capital structure is as follows:

	4 months ended 31-Oct-20
	$
Accounts payable and accrued liabilities	66,765
Total debt	66,765
Share capital	2,347,426
Contributed surplus	660,914
Total capital	3,008,340
Total assets	3,017,515
Ratio of total debt to total assets	2%

Our leverage ratio has increased to 2% due to commencement of operations and the assumption of accrued expenses relating to the Proposed Transaction and closing of the private placement (see **Other Events**).

Private Placement

On October 29, 2020, the Company completed a private placement of 86,000,000 units at $0.025 per unit for gross proceeds of $2,150,000. Each unit consisted of one common share and one-half purchase warrant to acquire a further common share at $0.035 per share. The warrants have been allocated a fair value of $505,351.

(Expressed in Canadian dollars)

Outstanding Share Data

The following table details Xigem's outstanding share data as of October 31, 2020 and the date of this MD&A:

	October 31, 2020	**Date of this MD&A**
	#	**#**
Common shares	132,473,600	**132,473,600**

Warrants

As of October 31, 2020, the Company had the following warrants outstanding with the corresponding average exercise prices:

	Weighted-avg. expiry date	Number of warrants	Weighted-avg. exercise price
		#	$
Balance June 15, 2020		-	-
Warrants issued from private placement	29-Oct-21	43,000,000	0.035
Warrants issued for acquisition of iAgent	20-Oct-21	12,500,000	0.035
Warrants issued for services	29-Oct-21	736,800	0.035
Balance October 31, 2020		**56,236,800**	**0.035**

Significant Accounting Policies and Estimates

The Company's significant accounting policies are described in note 3 of the Financial Statements. The preparation of the financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures as of the date of the Financial Statements. Actual results may differ from estimates under different assumptions and conditions.

Significant judgments include investments with significant includes and income taxes. Our significant judgments have been reviewed and approved by the Audit Committee for completeness of disclosure on what management believes would be relevant and useful to investors in interpreting the amounts and disclosures in our Financial Statements.

Accounting Pronouncements Adopted During the Period

IFRIC 23 – Uncertainty Over Income Tax Treatments ("IFRIC 23")

IFRIC 23 was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that the entity should consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If the entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses, and credits or tax rates consistent with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss) tax bases, unused tax losses, and credits or tax rates. This standard was adopted on June 15, 2010. The amendments did not have an impact on the Financial Statements.

Accounting Pronouncements Adopted During the Period (Cont'd)

IFRS 3 – Business Combinations ("IFRS 3")

IFRS 3 was amended in October 2018 to clarify the definition of a business. The amended definition states that a business must include inputs and a process and clarifies that the process must be substantive, and the inputs and process must together significantly contribute to operating outputs. In addition, it narrows the definitions of a business by focusing on the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs and added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. This standard was adopted on June 15, 2020, resulting in no changes to the Financial Statements.

Future Accounting Pronouncements

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and
IAS 28 – Investments in Associates and Joint Ventures ("IAS 28")

IFRS 10 and 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 the 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. The Company has not assessed the effect of these pronouncements on its Financial Statements

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Disclosure Controls and Procedures

The CEO and CFO have designed or caused to design controls to provide reasonable assurance that: (i) material information relating to the Company is made known to management by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual and interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time frame specified in the securities legislation.

Based on the evaluations, the CEO and CFO have concluded that the Company's disclosure controls and procedures were adequate and effective.

Internal Controls over Financial Reporting

Xigem has established internal controls over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management, including the Company's CEO and CFO, have determined that as at and for the period ended October 31, 2020, the internal controls over financial reporting were effective.

Inherent Limitations

It should be noted that in a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Given the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have

(Expressed in Canadian dollars)

Disclosure Controls and Procedures and Internal Controls over Financial Reporting (Cont'd)

been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors; and (iii) controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override.

Related Party Transactions and Balances

	31-Oct-20
	$
Due from related parties	
Due from shareholders	**200,000**
Due to related party	
Due from 2294573 Ontario Inc., related by common ownership	**(30,000)**

Due from (to) related parties

The amounts due from related parties from certain directors and shareholders of the Company and relate to the initial share capital purchased from treasury on incorporation of $200,000. The amount due to a related party relates to cash advances received. The amounts are unsecured, non-interest bearing, due on demand, and have no formal terms of repayment.

Key Management Personnel Transactions

The director of the Company controls 2% of the voting shares of the Company.

Risks and Uncertainties

The are several risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about as of the date of this MD&A, or that it currently deems immaterial, may also adversely affect the Company's business. If any of the following risks occur, the Company's business may be harmed, and its financial condition and the results of operation may suffer significantly.

COVID-19

Negative impact of COVID-19 outbreak

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business.

Risks and Uncertainties (Cont'd)

COVID-19 (Cont'd)

Business interruption risks

The Company may be impacted by business interruptions resulting from pandemics and public health emergencies, including those related to the COVID-19 pandemic. An outbreak of infectious disease, a pandemic or a similar public health threat, such as the recent outbreak of the novel coronavirus known as COVID-19, or a fear of any of the foregoing, could adversely impact the Company. It is unknown whether and how the Company may be affected if such an epidemic persists for an extended period. The Company may incur expenses or delays relating to such events outside of its control, which could have a material adverse impact on its business, operating results and financial condition.

Risks relating to the Proposed Transaction

Xigem is in the development stage with little operating history

As the Company has yet to begin to generate revenue, it is extremely difficult to make accurate predictions and forecasts of its finances. In addition, the Company intends to operate in the technology industry, which is rapidly transforming. There is no guarantee that the Company's products or services will be attractive to potential consumers. Therefore, the Company is subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources, and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and likelihood of success must be considered considering the early stage of operations.

Going concern

The Company's ability to continue as a going concern depends on its ability to either generate sufficient revenues or to secure sufficient financing, whether debt or equity, to sustain its continued operations. There can be no assurance that the Company can obtain such revenues or financing on commercially favorable terms and there is therefore no guarantee that the Company will be able to sustain its ongoing operations in the future.

Competition

Many other businesses in Canada engage in similar activities to the Company, developing and commercializing remote work technologies to similar customers. Current and new competitors may have better capitalization, a longer operating history, more expertise and able to develop higher quality equipment or products, at the same or a lower cost. The Company cannot provide assurances that it will be able to compete successfully against current and future competitors. Competitive pressures faced by the Company could have a material adverse effect on its business, operating results, and financial condition.

Dividends

There is no assurance as to whether the Company will be profitable, earn revenues, or pay dividends. The Company anticipates that it will incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among

Risks and Uncertainties (Cont'd)

Risks relating to the Proposed Transaction (Cont'd)

Dividends (Cont'd)

other things, the Company's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

Uncertainty of revenue growth

There can be no assurance that the Company can generate revenue growth, or that any revenue growth that is achieved can be sustained. Revenue growth that the Company may achieve may not be indicative of future operating results. The Company may increase its operating expenses to fund research and development, increase its sales and marketing efforts and increase its administrative resources in anticipation of future growth. To the extent that increases in such expenses precede or are not subsequently followed by increased revenues, the Company's business, operating results, and financial condition will be materially adversely affected.

Development of new products

The Company's success will depend, in part, on its ability to develop, introduce and market new and innovative products. If there is a shift in consumer demand, the Company must meet such demand through new and innovative products or else its business will fail. The Company's ability to develop, market and produce new products is subject to it having substantial capital. There is no assurance that the Xigem will be able to develop new and innovative products or have the capital necessary to develop such products.

Effective commercialization

There is a risk that the technology and the Company's products will not perform as expected in certain applications and therefore, the Company may encounter delays to commercialization or may run the risk that the technologies will never be successfully commercialized. This means that the Company may never receive revenues or return on its technology development.

Technology Risks

Technical risks

Technical risks are inherent in the development and commercialization process, in that an immature technology could present unexpected challenges that exceed the planned time or financial resources to overcome. There can be no guarantee that the Company will be able to overcome technical risks associated with the development of its technology.

Our technology may be unable to achieve broad market acceptance

Even when product development is successful, our ability to generate significant revenue and profits depends on the acceptance of our products by our customers and end users of the products, such as companies or individuals purchasing vehicles incorporating our technology. The market acceptance of

Risks and Uncertainties (Cont'd)

Technology Risks (Cont'd)

Our technology may be unable to achieve broad market acceptance (Cont'd)

any product depends on a number of factors, including but not limited to awareness of a product's availability and benefits, the price and cost-effectiveness of our products relative to competing products; general competition, and the effectiveness of marketing and distribution efforts. Any factors preventing or limiting the market acceptance of our technology could have a material adverse effect on our business, results of operations and financial condition.

Emerging products and technology

The market for Company's products continues to evolve and continued growth and demand for, and acceptance of, these products remains uncertain. In addition, other emerging technology and products may impact the viability of the market for Company's products. Company's continued success will depend upon its ability to keep pace with technological and marketplace change and to introduce, on a timely and cost-effective basis, new and enhanced products that satisfy changing customer requirements and achieve market acceptance. There can be no assurance that the Company will be able to respond effectively to changes in technology or customer demands. Moreover, there can be no assurance that Company's competitors will not develop competitive products or that any such products will not have an adverse effect upon Xigem's business, financial condition, or results of operations.

Obsolescence

Maintaining a competitive position requires constant growth, development and strategic marketing and planning. If the Company is unable to maintain a technological advantage, the Company's ability to grow its business will be adversely affected and its products may become obsolete compared with other technologies.

Other Risks

Key Personnel

The Company's success has depended and continues to depend upon its ability to attract and retain key management, including the officers and technical experts. The Company will attempt to enhance its management and technical expertise by continuing to recruit qualified individuals who possess desired skills and experience in certain targeted areas. The Company's inability to retain employees and attract and retain sufficient additional employees or engineering and technical support resources could have a material adverse effect on the Company's business, results of operations, sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of the Company, results of operations of the business and could limit the Company ability to develop and market its work remotely related products. The loss of any of the Company senior management or key employees could materially adversely affect the Company's ability to execute the Company's business plan and strategy, and the Company may not be able to find adequate replacements on a timely basis, or at all.

Risks and Uncertainties (Cont'd)

Other Risks (Cont'd)

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train, and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Dependence on suppliers and skilled labor

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labor, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labor, equipment, parts and components.

Conflicts of Interest

Certain directors and officers of the Company are or may become associated with other companies in the same or related industries which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. The directors and officers of the Company have either other full-time employment or other business, or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers.

Research and Development

We believe that we must continue to dedicate a significant amount of resources to our research and development efforts to maintain and develop our solutions and maintain and enhance our competitive position. We recognize the costs associated with these research and development investments earlier than the anticipated benefits, and the return on these investments may be lower, or may develop more slowly, than we expect. If we spend significant resources on research and development and are unable to generate an adequate return on our investment, our business, financial condition and results of operations may be materially and adversely affected.

Financial Reporting and Internal Controls

Upon the completion of the listing, Company will become subject to reporting and other obligations under applicable Canadian securities laws and exchange rules. These reporting and other obligations will place significant demands on Company's management, administrative, operational and accounting resources. To meet such requirements, Company is working with its legal, accounting and financial advisors to identify areas in which changes should be made to Company's financial management control systems. These areas include corporate governance, corporate controls, internal audit, disclosure controls and procedures and financial reporting and accounting systems. Company has made, and will continue to

Risks and Uncertainties (Cont'd)

Other Risks (Cont'd)

Financial Reporting and Internal Controls (Cont'd)

make, changes in these and other areas, including Company's internal controls over financial reporting. If Company is unable to accomplish any such necessary objectives in a timely and effective fashion, its ability to comply with its financial reporting requirements and other rules that apply to reporting issuers could be impaired. Moreover, any failure to maintain effective internal controls could cause Company to fail to meet its reporting obligations or result in material misstatements in its financial statements. If Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially harmed which could also cause investors to lose confidence in the reported financial information, which could lower share prices. There can be no assurance that internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within the Company are detected. The inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of some persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Intellectual Property

The Company's ability to compete effectively will depend, in part, on its ability to maintain the proprietary nature of its brand and its product creation processes. The Company has adopted procedures to protect its intellectual property and maintain secrecy of its confidential business information and trade secrets. However, there can be no assurance that such procedures will afford complete protection of such intellectual property, confidential business information and trade secrets. There can be no assurance that the Company's competitors will not independently develop technologies that are substantially equivalent or superior to the Company's technology. To protect the Company's intellectual property, it may become involved in litigation, which could result in substantial expenses, divert the attention of its management, cause significant delays, and materially disrupt the conduct of its business. The Company may also inadvertently infringe others intellectual property and be subject to litigation in respect of same.

Intellectual Property Litigation

The Company may be forced to litigate to enforce or defend its intellectual property rights, to protect its trade secrets or to determine the validity and scope of other parties' proprietary rights. Any such litigation could be very costly and could distract its management from focusing on operating the Company's business. The existence and/or outcome of any such litigation could harm the Company's business.

Ability to obtain and retain any relevant licenses

If obtained, any licenses in Canada are expected to be subject to ongoing compliance and reporting requirements. Failure by the Company to comply with the requirements of licenses or any failure to maintain licenses would have a material adverse impact on the business, financial condition and

Risks and Uncertainties (Cont'd)

Other Risks (Cont'd)

Ability to obtain and retain any relevant licenses (Cont'd)

operating results of the Company. Should any jurisdiction in which the Company considers a license important not grant, extend or renew such license or should it renew such license on different terms, or should it decide to grant more than the anticipated number of licenses, the business, financial condition and results of the operation of the Company could be materially adversely affected.

No established market

There is currently no market through which the Company's securities may be sold and purchasers may not be able to resell the Company Shares purchased under this Prospectus. An active public market for the Company Shares might not develop or be sustained after this offering. Even if a market develops, there is no assurance that the price of the Company Shares offered under this Prospectus, will reflect the prevailing market price of the Company Shares following this offering. If an active public market for the Company Shares does not develop, the liquidity of a shareholder's investment may be limited, and the Company Share price may decline below the initial public offering price. The holding of Company Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. The Company Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Lack of active market

There can be no assurance that an active market for the Company Shares will continue and any increased demand to buy or sell the Company Shares can create volatility in price and volume. Any return on investment from the Company Shares is not guaranteed.

There can be no assurance regarding the amount of return to be generated by the Company's investments. The Company Shares are equity securities of the Company and are not fixed income securities. Unlike fixed-income securities, there is no obligation of the Company to distribute to shareholders a fixed amount or to return the initial purchase price of a Company Share on a date in the future. The market value of the Company Shares will deteriorate if the Company is unsuccessful in its investments, and that deterioration may be significant.

There is a risk of dilution

The Company may issue additional securities from time-to-time to raise funding for its business, and such issuances may be dilutive to existing shareholders.

Global economic risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital equity or debt financing more difficult. Access to financing has been negatively impacted by the ongoing global economic risks. As such, the Company is subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the Company's ability to

Risks and Uncertainties (Cont'd)

Other Risks (Cont'd)

Global economic risk (Cont'd)

raise equity or obtain loans and other credit facilities in the future and on terms favorable to the Company. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized, which could have an adverse impact on the Company's operations and trading price of the Company Shares on the stock exchange.

Economic environment

The Company's operations could be affected by the economic context should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Company's sales and profitability. As well, general demand for banking services and alternative banking or financial services cannot be predicted, and prospects of such areas might be different from those predicted by the Company's management.

Risks Associated with Acquisitions

As part of the Company's overall business strategy, the Company may pursue select strategic acquisitions after the completion of the Listing, which would provide additional product offerings, vertical integrations, additional industry expertise, and a stronger industry presence in both existing and new jurisdictions. Future acquisitions may expose it to potential risks, including risks associated with: (a) the integration of new operations, services and personnel; (b) unforeseen or hidden liabilities; (c) the diversion of resources from the Issuer's existing business and technology; (d) potential inability to generate sufficient revenue to offset new costs; (e) the expenses of acquisitions; or (f) the potential loss of or harm to relationships with both employees and existing users resulting from its integration of new businesses. In addition, any proposed acquisitions may be subject to regulatory approval.

Product Development Risks

Lack of experience and commitment of team

The project manager and leader is the most responsible person, and a replacement or inexperienced manager could jeopardize the completion of the Platform.

Unrealistic deadlines

Software projects may fail when deadlines are not properly set. Project initialization, completion date and time must be realistic.

Improper budget

Cost estimation of a project is very crucial in terms of project success and failure. Low cost with high expectations of large projects may cause project failure.

Risks and Uncertainties (Cont'd)

Product Development Risks (Cont'd)

Lack of resources

Software and hardware resources may not be adequate. Lack of resources in terms of manpower is also a critical risk factor of software failure.

Inappropriate design

Software designers have a major role in the success or failure of the project if a design is inappropriate for the project.

User data

The Company may require the registration of its users prior to accessing its products or services or certain features of its products or services and the Company may be subject to increased legislation and regulations on the collection, storage, retention, transmission and use of user-data that is collected. The Company's efforts to protect the personal information of its users may be unsuccessful due to the actions of third parties, software bugs or technical malfunctions, employee error or malfeasance, or other factors. In addition, third parties may attempt to fraudulently induce employees or users to disclose information to gain access to the Company's data or the Company's users' data. If any of these events occur, users' information could be accessed or disclosed improperly. Any incidents involving the unauthorized access to or improper use of the information of users or incidents involving violation of the Company's terms of service or policies could damage its reputation and brand and diminish its competitive position.

Failure to protect personal information

A wide variety of provincial, state, national, and international laws and regulations apply to the collection, use, retention, protection, disclosure, transfer, and other processing of personal data. These data protection and privacy-related laws and regulations are evolving and being tested in courts and may result in ever-increasing regulatory and public scrutiny as well as escalating levels of enforcement and sanctions. Any actual or perceived loss, improper retention or misuse of certain information or alleged violations of laws and regulations relating to privacy, data protection and data security, and any relevant claims, could result in enforcement action against us, including fines, imprisonment of Company officials and public censure, claims for damages by customers and other affected individuals, damage to our reputation and loss of goodwill (both in relation to existing customers and prospective customers), any of which could have an adverse effect on our operations, financial performance, and business. Any perception of privacy or security concerns or an inability to comply with applicable laws, regulations, policies, industry standards, contractual obligations or other legal obligations, even if unfounded, may result in additional cost and liability to us, harm our reputation and inhibit adoption of our products by current and future customers, and adversely affect our business, financial condition, and operating results. We have implemented and maintain security measures intended to protect personally identifiable information. However, our security measures remain vulnerable to various threats posed by hackers and criminals. If our security measures are overcome and any personally identifiable information that we collect or store becomes subject to unauthorized access, we may be required to comply with costly and burdensome breach notification obligations. We may also be subject to investigations, enforcement actions and private lawsuits. In addition, any data security incident is likely to generate negative publicity and have a negative effect on our business.

Risks and Uncertainties (Cont'd)

Product Development Risks (Cont'd)

Effective Operating and Scaling of Technology

The Company's ability to provide products and services to customers is dependent on its information technology systems. If the Company is unable to manage and scale the technology associated with its business effectively, the Company could experience increased costs, reductions in system availability and losses of network participants.

Material defects or errors in the Company's Technology Infrastructure could harm the Company's reputation, result in significant costs to the Company and impair its ability to sell its services. Software developed for the Company's technology can contain errors, defects, security vulnerabilities or software bugs that are difficult to detect and correct, particularly when first introduced. Despite internal testing, the Company's technology may contain serious errors or defects that cause performance problems or service interruptions, security vulnerabilities or software bugs that the Company may be unable to successfully correct in a timely manner, or at all, which could result in:

- unexpected credits or refunds to the Company's clients, loss of clients and other potential liabilities;
- delays in client payments, increasing the Company's collection reserve and collection cycle;
- diversion of development resources and associated costs;
- harm to the Company's reputation and brand; and
- unanticipated litigation costs.

Data Security and Hacking

Increasingly, organizations are subject to a wide variety of attacks on their networks. In addition to traditional computer "hackers," malicious code (such as viruses and worms), employee theft or misuse, denial of service attacks, ransomware, malware and sophisticated government and government-supported actors now engage in incidents and attacks (including advanced persistent threat intrusions), and add to the risks to our internal networks and the information they store, manage and process. It is virtually impossible for Absolute to entirely mitigate these risks (especially as it relates to unlicensed or outdated versions of our product or agent). Any such security incident or breach could compromise our networks, creating system disruptions or slowdowns and exploiting security vulnerabilities of our products, and the information stored on our networks could be accessed, publicly disclosed, lost, or stolen, which could subject us to liability and cause us financial harm. These breaches, or any perceived breach, may also result in damage to our reputation, negative publicity (through research reports or otherwise), loss of partners, end-customers and sales, increased costs to remedy any problem, and costly litigation and may result in the Company's business, operating results and financial condition being materially adversely affected.

Risk of Safeguarding Against Security & Privacy Breaches

A security or privacy breach could:

- expose the Company and Company to additional liability and to potentially costly litigation;
- increase expenses relating to the resolution of these breaches;
- deter potential customers from using our services; and

Risks and Uncertainties (Cont'd)

Product Development Risks (Cont'd)

Risk of Safeguarding Against Security & Privacy Breaches (Cont'd)

- decrease market acceptance of electronic commerce transactions.

As a provider of software technology, the Company and Resulting Issuer are at risk of exposure to a security or privacy breach of its system which could lead to potentially costly litigation, deter potential customers from using its services, or bring about additional liability of the Company and Resulting Issuer. The Company and Resulting Issuer cannot assure that the use of applications designed for data security and integrity will address changing technologies or the security and privacy concerns of existing and potential customers. Although the Company and Resulting Issuer require that agreements with service providers who have access to sensitive data include confidentiality obligations that restrict these parties from using or disclosing any data except as necessary to perform their services under the applicable agreements, there can be no assurance that these contractual measures will prevent the unauthorized disclosure of information.

Other Events

Reverse take-over transaction

On September 22, 2020, 10557536 Canada Inc. ("105") entered into a non-binding letter of intent with Xigem. The letter of intent outlines proposed terms and conditions pursuant to which 105 and Xigem will effect a business combination that will result in a reverse takeover of 105 by the shareholders of Xigem (the "Proposed Transaction").

As of the date of issuance of these financial statements, Xigem has 132,473,600 common shares and 56,236,800 common share purchase warrants outstanding. 105 has 4,473,254 common shares, 125,000 common share purchase warrants and 1,000,000 options.

In connection with the closing of the Proposed Transaction, it is expected, among other things:

- 105 will split all of its issued and outstanding common shares (the "105 Common Shares") based on a ratio of approximately 1.6453 post-split 105 Common Share for every one pre-split 105 Common Shares ("Share Split");
- Xigem and 105's subsidiary will be amalgamated under the *Business Corporations Act (Ontario)* (the "Amalgamation" and the resulting amalgamated entity ("Amalco") will become a wholly-owned subsidiary of 105;
- each Xigem Common Share will be cancelled, and the former holders of Xigem Common Shares will receive one half of one (0.5) Resulting Issuer Common Share for each Xigem Common Share held by them;
- other securities of Xigem (including warrants that are exercisable into Xigem Common Shares) will be cancelled, and the former holders of such securities will receive economically equivalent securities of the Resulting Issuer; and
- the Resulting Issuer will be renamed "Xigem Technologies Inc.", or such other name as determined by Xigem (the "Name Change").

On November 17, 2020, the Company and Xigem entered into a business combination agreement. A copy of the business combination agreement is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. The business combination agreement incorporates principal terms of the Transaction (as specified by the non-binding letter of intent) and provides the basis upon which 105 and Xigem will effect the Transaction in compliance with the Exchange's requirements.

Other Events (Cont'd)

Reverse take-over transaction

The Transaction is subject to a number of conditions including, but not limited to the following:

(i) the Resulting Issuer will have obtained conditional approval of the Canadian Securities Exchange ("CSE") for the listing on the CSE of the Resulting Issuer Common Shares, as required by CSE policies;
(ii) the issuance of a receipt from the Ontario Securities Commission ("OSC") for the final Prospectus;
(iii) 105 shall hold an annual general and special meeting of its shareholders (the "105 Shareholder Meeting"), and shall prepare a circular in connection therewith (the "105 Circular") to approve certain matters relating to the Transaction, including the directors to be appointed to the board of the Resulting Issuer upon closing, the Share Split and Name Change; and
(iv) Certain other customary closing conditions.

The Resulting Issuer will seek to become a leading technology platform for the remote economy by providing a comprehensive cloud-computing solution for business operators through virtual work environments.

COVID-19

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which will include the implementation of travel bans, self-imposed quarantine periods and social distancing have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown, as is the efficacy of the government and central bank interventions.

Management cannot accurately predict the future impact COVID-19 may have on: (i) the severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labor availability; (ii) availability of essential supplies; (iii) purchasing power of the Canadian dollar; and (iv) ability to obtain additional funding.

At the date of the approval of the financial statements, the Canadian government has not introduced measures which impede the activities of the Company. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and conditions of the Company in future periods.

Additional Information

These documents, as well as additional information regarding Xigem, have been filed electronically with the Canadian securities regulators through the System for Electronic Document Analysis and Retrieval ("SEDAR") and may be accessed through SEDAR's website at www.sedar.com.

APPENDIX D

RESULTING ISSUER PRO FORMA FINANCIAL STATEMENTS AS AT OCTOBER 31, 2020

Pro forma financial statements of 10557536 Canada Corp.

Unaudited pro forma consolidated statements of financial position

As at October 31, 2020

(Expressed in Canadian dollars)

	Xigem Technologies Corporation	10557536 Canada Corp.	Pro forma adjustments	Notes	**Pro forma consolidated**
	$	$	$		**$**
ASSETS					
Current					
Cash and cash equivalents	2,192,323	915	-	6(a)	**2,193,238**
Accounts receivable	-	2,032	-	6(a)	**2,032**
Indirect taxes recoverable	3,959	-	-		**3,959**
Due from related parties	200,000	-	-		**200,000**
	2,396,282	2,947	-		**2,399,229**
Intangible assets	621,233	1	(1)	6(a), 6(d)	**621,233**
	3,017,515	2,948	(1)		**3,020,462**
LIABILITIES					
Current					
Accounts payable and accrued liabilities	66,765	86,531	(86,531)	6(a)	**66,765**
Subscription receipts	-	5,000	-	6(a)	**5,000**
Due to related parties	30,000	7,417	-	6(a)	**37,417**
	96,765	98,948	(86,531)		**109,182**
Deferred income tax liability	5,808	-	-		**5,808**
	102,573	98,948	(86,531)		**114,990**
SHAREHOLDERS' EQUITY					
Share capital	2,347,426	55,153	(55,153)	6(c), 8	**2,347,426**
			51,933	6(c), 8	**51,933**
			86,531	6(c), 8	**86,531**
Contributed surplus	660,914	7,200	(7,200)	8	**660,914**
			75,167	8	**75,167**
Deficit	(93,398)	(158,353)	158,353	6(a), 6(c), 8	**(93,398)**
			(223,101)	6(a), 8	**(223,101)**
	2,914,942	(96,000)	86,530	8	**2,905,472**
	3,017,515	2,948	(1)		**3,020,462**

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

Pro forma financial statements of 10557536 Canada Corp.

Unaudited pro forma consolidated statements of loss and comprehensive loss

Period ended October 31, 2020

(Expressed in Canadian dollars)

	Xigem Technologies Corporation	10557536 Canada Corp.	Pro forma adjustments	Notes	**Pro forma consolidated**
	$	$	$		**$**
EXPENSES					
Listing expenses	-	-	223,101	6(a)	**223,101**
Professional fees	59,306	3,647	-		**62,953**
Share-based payments	24,500	2,887	-		**27,387**
Research expenses	-	13,655	-		**13,655**
Management fees	-	5,500	-		**5,500**
Regulatory expenses	-	5,275	-		**5,275**
Amortization of intangible assets	3,767	-	-		**3,767**
Office and general	-	454	-		**454**
Interest and bank charges	17	-	-		**17**
	87,590	31,418	223,101		**342,109**
Loss before tax	(87,590)	(31,418)	(223,101)		**(342,109)**
Income tax expense					
Current taxes	-	-	-		**-**
Deferred taxes	5,808	-	-		**5,808**
	5,808	-	-		**5,808**
Net loss and comprehensive loss	(93,398)	(31,418)	(223,101)		**(347,917)**
Loss per share					
Basic and diluted loss per share	(0.004)	(0.009)	-	6(b)	**(0.015)**

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

1. General information

10557536 Canada Corp. (“105” or the “Company”) seeks to complete a transaction such that the Company’s shares can be approved for listing and trading on a recognized stock exchange. The Company was incorporated under the Business Corporations Act of Canada on December 27, 2017. The Company’s registered head office is located at 401 Bay Street, Suite 2100, Toronto, Ontario, M5H 2Y4. The Company is a reporting issuer in the provinces of British Columbia, Alberta, and Manitoba.

2. Basis of preparation

Basis of presentation

These unaudited pro forma consolidated financial statements have been prepared by management of Xigem Technology Corporation (“Xigem”) to reflect the anticipated completion of the proposed acquisition of 100% interest in Xigem (the “Acquiree”) by the Company (the “Acquiror”) and the proposed stock-split and equity exchange (together, the “Transaction”).

These unaudited pro forma consolidated financial statements give effect to the Transaction as if it occurred on October 31, 2020, using information derived from the unaudited interim financial statements of 105 as at and for the three and nine months ended September 30, 2020, and the audited financial statements of Xigem as at October 31, 2020 and for the period June 15, 2020 (date of incorporation) to October 31, 2020. The accounting policies of the Acquiree under IFRS are consistent with those of the Company.

The unaudited pro forma consolidated financial statements are not necessarily indicative of the results that would have occurred had the Transaction been consummated at the dates indicated, nor are they necessarily indicative of the future operating results or financial position of the Company.

Functional and presentation currency

These unaudited pro forma consolidated financial statements are presented in Canadian dollars, which is the Company’s functional and presentation currency.

3. Significant accounting policies

The accounting policies used in the preparation of the these unaudited pro forma consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), along with the adjustments described in **Note 6**.

4. Description of the transaction

On September 22, 2020, 105 entered into a non-binding letter of intent with Xigem. The letter of intent outlines proposed terms and conditions pursuant to which 105 and Xigem will effect a business combination that will result in a reverse takeover of 105 by the shareholders of Xigem (the “Transaction”).

As of the date of issuance of these financial statements, Xigem has 132,473,600 common shares and 56,236,800 common share purchase warrants outstanding. 105 has 4,473,254 common shares, 125,000 common share purchase warrants and 1,000,000 options.

4. Description of the transaction (Cont'd)

In connection with the closing of the Proposed Transaction, it is expected, among other things:

- 105 will split all of its issued and outstanding common shares (the "105 Common Shares") based on a ratio of approximately 1.6453 post-split 105 Common Share for every one pre-split 105 Common Shares ("Share Split");
- Xigem and 105's subsidiary will be amalgamated under the *Business Corporations Act (Ontario)* (the "Amalgamation" and the resulting amalgamated entity ("Amalco") will become a wholly-owned subsidiary of 105;
- each Xigem Common Share will be cancelled, and the former holders of Xigem Common Shares will receive one half of one (0.5) Resulting Issuer Common Share for each Xigem Common Share held by them;
- other securities of Xigem (including warrants that are exercisable into Xigem Common Shares) will be cancelled, and the former holders of such securities will receive economically equivalent securities of the Resulting Issuer; and
- the Resulting Issuer will be renamed "Xigem Technologies Inc.", or such other name as determined by Xigem (the "Name Change").

On November 17, 2020, the Company and Xigem entered into a business combination agreement. A copy of the business combination agreement is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com. The business combination agreement incorporates principal terms of the Transaction (as specified by the non-binding letter of intent) and provides the basis upon which 105 and Xigem will effect the Transaction in compliance with the Exchange's requirements.

The Transaction is subject to a number of conditions including, but not limited to the following:

(i) the Resulting Issuer will have obtained conditional approval of the Canadian Securities Exchange ("CSE") for the listing on the CSE of the Resulting Issuer Common Shares, as required by CSE policies;
(ii) the issuance of a receipt from the Ontario Securities Commission ("OSC") for the final Prospectus;
(iii) 105 shall hold an annual general and special meeting of its shareholders (the "105 Shareholder Meeting"), and shall prepare a circular in connection therewith (the "105 Circular") to approve certain matters relating to the Transaction, including the directors to be appointed to the board of the Resulting Issuer upon closing, the Share Split and Name Change; and
(iv) Certain other customary closing conditions.

The Resulting Issuer will seek to become a leading technology platform for the remote economy by providing a comprehensive cloud-computing solution for business operators through virtual work environments.

5. Reverse takeover

The Transaction has been accounted for in accordance with *IFRS 2, Share-based payments*. The Transaction is considered to be a reverse takeover of the Company by the Acquiree.

A reverse takeover is a transaction involving a non-public company operating entity and a non-operating public company in substance a share based transaction rather than a business combination. The Transaction is equivalent to the issuance of common shares by the non-public operating entity, Xigem, for the net assets and the listing status of the non-operating public company, 105.

(Expressed in Canadian dollars)

5. Reverse takeover (Cont'd)

The fair value of the equity issued was determined based on the fair value of the equity by the Company. For financial reporting purposes, the Company is considered a continuation of the Acquiree, the legal subsidiary, except with regards to the authorized and issued share capital, which is that of the Company, the legal parent.

The fair value of the net assets of the Company are deemed to be acquired and will ultimately be determined at the date of the closing of the Transaction, and the actual costs of the acquisition may vary from those estimates. Therefore, the allocation of consideration among the assets and liabilities of the Company may vary from those shown, and such differences may be material.

6. Pro forma adjustments

The adjustments to the unaudited pro forma consolidated financial statements have been prepared to reflect the Transaction, as described below:

(a) Listing expenses

Immediately prior to the Transaction, the Company will transfer its assets and liabilities to Xigem, recognizing a listing expense of $223,101 on the transfer of net equity of the Company.

	Note	Value
		$
Fair value of 4,473,254 shares of 105	(i)	44,733
Fair value of 125,000 warrants of 105	(ii)	4,600
Fair value of 1,000,000 options of 105	(iii)	2,600
Total value to 105 shareholders		51,933
Less: recognized assets acquired		(2,947)
Add: identifiable liabilities assumed		98,948
Add: fair value of 3,290,600 warrants of 105 issued for services	(iv)	75,167
Listing expenses	(v)	**223,101**

(i) The price per share is based on the most recent private placement by Xigem at $0.01 per share.
(ii) Represents the 125,000 warrants currently held by shareholders of 105 to purchase one additional 105 share at $0.25 per share.
(iii) Represents the 1,000,000 options currently held by shareholders of 105 at an option to purchase one additional 105 share at $0.05 per share.
(iv) The fair value of 3,290,600 warrants of 105 issued for services were valued using the Black-Scholes pricing model using the inputs as disclosed below.
(v) The amount is considered the cost of listing and is recognized as an expense in the unaudited pro forma consolidated financial statements.

(b) Earnings per share

Prior to the transaction, the Company has 4,473,254 shares outstanding. The Company is expected to issue total shares of 70,373,391 upon closing of the Transaction. This resulted in a weighted average basic share outstanding for the period ended October 31, 2020 of 23,631,610. For the period ended October 31, 2020, the impact of the Transaction resulted in a basic and diluted loss per share of $0.015.

(Expressed in Canadian dollars)

6. Pro forma adjustments (Cont'd)

The adjustments to the unaudited pro forma consolidated financial statements have been prepared to reflect the Transaction, as described below:

(c) Consideration transferred for Xigem shares

To give effect for the increase in share capital to $2,430,736 due the aggregate pro forma adjustments as follows:
- an increase in the fair value of equity of 105 of $3,220;
- an increase in the value of shares issued for settlement of debt of $86,531; and
- an increase in the value of shares and options issued to Xigem shareholders of $2,347,456.

(d) Elimination of letter of intent asset

To give effect for the decrease in intangible assets relating to the assigned value of $1 relating to the letter of intent with Xigem.

(e) Issuance of warrants for services

On the close of the Transaction, 3,290,600 post-split warrants were issued to Grove Corporate Services Ltd. for past services have been allocated a value fair value of $75,167 and have been included in listing expenses. The fair value of warrants issued was determined using the Black-Scholes pricing model using the assumptions as follows:

		31-Oct-20
Fair value	$	0.023
Share price	$	0.025
Exercise price	$	0.006
Expected volatility		150%
Expected life		3.00
Expected dividends		-
Risk-free interest rate		0.25%

7. Income taxes

For the purposes of these unaudited pro forma financial statements, current and deferred income taxes are calculated at 26.5% on the corporate level and a capital gain rate of 13.3% on all transaction costs incurred.

Due to the lack of recoverability of the Company's losses carried forward, there were no amounts have been recognized in these unaudited pro forma financial statements.

(Expressed in Canadian dollars)

8. Pro forma equity

A continuity of the Transaction equity related recorded value after giving effect to the pro forma transactions described in **Note 6** is set out below:

	Note	Number of warrants	Number of options	Pro forma contributed surplus	Number of shares	Pro forma share capital	Pro forma deficit	Pro forma equity
		#	#	$	#	$	$	$
Value of equity of 105 at September 30, 2020		125,000	1,000,000	7,200	4,473,254	55,153	(158,353)	(96,000)
Total book value of 105 prior to Transaction		**125,000**	**1,000,000**	**7,200**	**4,473,254**	**55,153**	**(158,353)**	**(96,000)**
Effect of pro forma transactions								
Decrease in value of equity of 105	(iv)	-	-	**(7,200)**	-	**(3,220)**	**10,419**	**(1)**
Cancellation of 105 stock-options		-	(1,000,000)	-	-	-	-	-
Consolidation of net loss attributable to Xigem							**(93,398)**	**(93,398)**
Stock-split of equity of 105	(v)	80,663	-	-	2,886,591	-	-	-
Shares issued to vendors for settlement outstanding debts of 105	(vi)	-	-	-	1,250,000	**86,531**	-	**86,531**
Shares and warrants issued to shareholders of Xigem	(vii)	28,118,400	-	**660,914**	66,236,800	**2,347,426**	-	**3,008,340**
Issuance of warrants for services	(viii)	3,290,600	-	**75,167**	-	-	**(75,167)**	-
		31,614,663	**-**	**736,081**	**74,846,645**	**2,485,889**	**(316,499)**	**2,905,472**

(iv) The decrease in the value of existing shares and options of 105 is treated as an adjustment to share capital of Xigem and listing expenses.
(v) The 105 shares, options and warrants are affected by a 1:1.6453 stock-split per the Business Combination Agreement.
(vi) In connection with the Transaction, 105 will issue 1,250,000 to settle outstanding debts of $86,531.
(vii) The Xigem shares are cancelled and former Xigem common shareholders will receive one half of one (0.5) common share.
(viii) In connection with the Transaction, 105 will issue 3,290,600 warrants. These warrants have been valued using the Black-Scholes pricing model.

APPENDIX E

AUDIT COMMITTEE CHARTER

10557536 Canada Corp.

Audit Committee Charter

Purpose

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of 10557536 Canada Corp. (the "**Corporation**") is appointed by the Board to assist the Corporation and the Board in fulfilling their respective obligations relating to the integrity of the internal financial controls and financial accounting and reporting of the Corporation.

Composition

1. The Committee shall be composed of three or more directors, as designated by the Board from time to time.

2. The Chair of the Committee (the "**Chair**") shall be designated by the Board or the Committee from among the members of the Committee.

3. The Committee shall comply with all applicable securities laws, instruments, rules and policies and regulatory requirements (collectively "**Applicable Laws**"), including those relating to composition, independence and financial literacy. Each member of the Committee shall be independent within the meaning of National Instrument 52-110 – *Audit Committees* and financially literate within the meaning of Applicable Laws.

4. Each member of the Committee shall be appointed by, and serve at the pleasure of, the Board. The Board may fill vacancies in the Committee by appointment from among the members of the Board.

Meetings

5. The Committee shall meet at least quarterly in each financial year of the Corporation. The Committee shall meet otherwise at the discretion of the Chair, or a majority of the members of the Committee, or as may be required by Applicable Laws.

6. A majority of the members of the Committee shall constitute a quorum. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, then, at the discretion of the members then present, the quorum for the adjourned meeting shall consist of the members then present (a "**Reduced Quorum**").

7. If and whenever a vacancy shall exist in the Committee, the remaining members of the Committee may exercise all powers and responsibilities of the Committee so long as a quorum remains in office or a Reduced Quorum is present in respect of a specific Committee meeting. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

8. The Committee shall hold an *in camera* session without any officers present at each meeting of the Committee, unless such a session is not considered necessary by the members present.

9. The time and place at which meetings of the Committee are to be held, and the procedures at such meetings, will be determined from time to time by the Chair. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other electronic communication at least 48 hours prior to the time of the meeting. However, no notice of a meeting shall be necessary if all of the members are present either in person or by means of telephone or web conference or other communication equipment, or if those absent waive notice or otherwise signify their consent to the holding of such meeting.

10. Members may participate in a meeting of the Committee by means of telephone, web conference or other communication equipment.

11. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside. The Chair (or other Committee member, as applicable) presiding at any meeting shall not have a casting vote.

12. The Committee shall keep minutes of all meetings, which shall be available for review by the Board. Except in exceptional circumstances, draft minutes of each meeting of the Committee shall be circulated to the Committee for review within 14 days following the date of each such meeting.

13. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.

14. The Committee may invite such other directors, officers and employees of the Corporation and such other advisors and persons as is considered advisable to attend any meeting of the Committee. For greater certainty, the Committee shall have the right to determine who shall, and who shall not, be present at any time during a meeting of the Committee.

15. Any matter to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Any action of the Committee may also be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterparts, by facsimile or other electronic signature) and any such action shall be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose. In case of an equality of votes, the matter will be referred to the Board for decision.

16. The Committee shall report its determinations and recommendations to the Board.

Resources and Authority

17. The Committee has the authority to:

    (a) engage, at the expense of the Corporation, independent counsel and other experts or advisors as is considered advisable;

(b) determine and pay the compensation for any independent counsel and other experts and advisors retained by the Committee;

(c) communicate directly with the independent auditor of the Corporation (the "**Independent Auditor**");

(d) conduct any investigation considered appropriate by the Committee;

(e) request the Independent Auditor, any officer or other employee of, or outside counsel for, the Corporation to attend any meeting of the Committee or to meet with any members of, or independent counsel or other experts or advisors to, the Committee; and

(f) have unrestricted access to the books and records of the Corporation.

Responsibilities

Financial Accounting, Internal Controls and Reporting Process

18. The Committee is responsible for:

(a) reviewing any management report on, and assessing the integrity of, the internal controls over the financial reporting of the Corporation and monitoring the proper implementation of such controls;

(b) reviewing and reporting to the Board on, or if mandated by the Board, approving the quarterly unaudited financial statements, management's discussion and analysis (the "**MD&A**"), press release and other financial disclosure related thereto that is required to be reviewed by the Committee pursuant to Applicable Laws;

(c) reviewing and reporting to the Board on the annual audited financial statements, the MD&A, press release and other financial disclosure related thereto that is required to be reviewed by the Committee pursuant to Applicable Laws;

(d) monitoring the conduct of the audit function;

(e) discussing and meeting with, when considered advisable to do so and in any event no less frequently than annually, the Independent Auditor, the Chief Financial Officer (the "**CFO**") and any other officer or other employee of the Corporation which the Committee wishes to meet with, to review accounting principles, practices, judgments of management, internal controls and such other matters as the Committee considers appropriate; and

(f) reviewing any post-audit or management letter containing the recommendations of the Independent Auditor and management's response thereto and monitoring the subsequent follow-up to any identified weaknesses.

Public Disclosure

19. The Committee shall:

    (a) review the quarterly and annual financial statements, the related MD&A, quarterly and annual financial reporting press releases and any other public disclosure documents that are required to be reviewed by the Committee pursuant to Applicable Laws;

    (b) review and discuss with officers of the Corporation any guidance being provided on the expected future results and financial performance of the Corporation and provide its recommendations on such guidance to the Board; and

    (c) review from time to time the procedures which are in place for the review of the public disclosure by the Corporation of financial information extracted or derived from the financial statements of the Corporation and periodically assess the adequacy of such procedures.

Risk Management

20. The Committee should inquire of the officers and the Independent Auditor as to the significant risks or exposures, both internal and external, to which the Corporation is subject, and review the actions which the officers have taken to minimize such risks. In conjunction with the Board, the Committee should annually review the financial risks associated with the directors' and officers' third-party liability insurance and other insurance of the Corporation.

Corporate Conduct

21. The Committee should ensure that there is an appropriate standard of corporate conduct relating to the internal controls and financial reporting of the Corporation.

22. The Committee should establish procedures for:

    (a) the receipt, retention and treatment of complaints received by the Corporation[s1] regarding accounting, internal accounting controls and auditing matters; and

    (b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Code of Business Conduct and Ethics

23. With regard to the Code of Business Conduct and Ethics of the Corporation (the "**Code**"), the Committee should:

    (a) review from time to time and recommend to the Board any amendments to the Code and monitor the policies and procedures established by the officers of the Corporation to ensure compliance with the Code;

    (b) review actions taken by the officers of the Corporation to ensure compliance with the Code, the results of the confirmations and the responses to any violations of the Code;

(c) following the receipt of any complaint submitted under the Code, the Committee shall investigate each matter and take corrective disciplinary action, if appropriate, up to and including termination of employment.

(d) if deemed appropriate by the Committee, investigations of suspected violations of the Code may be referred to the Governance and Nominating Committee;

(e) monitor the disclosure of the Code, any proposed amendments to the Code and any waivers to the Code granted by the Board;

(f) review the policies and procedures instituted to ensure that any departure from the Code by a director or officer of the Corporation which constitutes a "material change" within the meaning of Applicable Laws is appropriately disclosed in accordance with Applicable Laws.

Whistleblower Policy

24. The Committee shall review from time to time the Whistleblower Policy of the Corporation (the "**Policy**") to determine whether the Policy is effective in providing appropriate procedures to report violations (as defined in the Policy) or suspected violations and recommend to the Board any amendments to the Policy.

Anti-Bribery and Anti-Corruption Policy

25. The Committee shall review and evaluate the Anti-Bribery and Anti-Corruption Policy of the Corporation on an annual basis to determine whether such policy is effective in ensuring compliance by the Corporation, its directors, officers, employees, consultants and contractors with the *Corruption of Foreign Public Officials Act* (Canada), the *Criminal Code* (Canada) and any other similar laws applicable to the Corporation.

Independent Auditor

26. The Committee shall recommend to the Board, for appointment by shareholders, a firm of external auditors to act as the Independent Auditor and shall monitor the independence and performance of the Independent Auditor. The Committee shall arrange and attend, as considered appropriate and at least annually, a private meeting with the Independent Auditor, shall review and approve the remuneration of such Independent Auditor and shall ensure that the Independent Auditor reports directly to the Committee.

27. The Committee shall ensure that the lead audit partner at the Independent Auditor is changed every seven years.

28. The Committee should resolve any otherwise unresolved disagreements between the officers of the Corporation and the Independent Auditor regarding the internal controls or financial reporting of the Corporation.

29. The Committee should pre-approve all audit and non-audit services not prohibited by law, including Applicable Laws, to be provided by the Independent Auditor. The Chair may, and is authorized to, pre-approve non-audit services provided by the Independent Auditor up to a maximum amount of $25,000 per engagement.

30. The Committee should review the audit plan of the Independent Auditor, including the scope, procedures and timing of the audit.

31. The Committee should review the results of the annual audit with the Independent Auditor, including matters related to the conduct of the audit.

32. The Committee should obtain timely reports from the Independent Auditor describing critical accounting policies and practices applicable to the Corporation, the alternative treatment of information in accordance with International Financial Reporting Standards that were discussed with the CFO, the ramifications thereof and the Independent Auditor's preferred treatment and should review any material written communications between the Corporation and the Independent Auditor.

33. The Committee should review the fees paid by the Corporation to the Independent Auditor and any other professionals in respect of audit and non-audit services on an annual basis.

34. The Committee should review and approve from time to time the Corporation's hiring policy regarding partners, employees and former partners and employees of the present and any former Independent Auditor.

35. The Committee should monitor and assess the relationship between the officers of the Corporation and the Independent Auditor and monitor the independence and objectivity of the Independent Auditor.

36. The Committee shall have the authority to engage the Independent Auditor to review the unaudited interim financial statements of the Corporation.

Other Responsibilities

37. The Committee should review and assess from time to time the adequacy of this charter and submit any proposed amendments to the Board for consideration.

38. The Committee should perform any other activities consistent with this charter and Applicable Laws as the Committee or the Board considers advisable.

Chair

39. The Chair should:

    (a) provide leadership to the Committee and oversee the functioning of the Committee;

    (b) chair meetings of the Committee (unless not present), including *in-camera* sessions and report to the Board following each meeting of the Committee on the activities and any recommendations and decisions of the Committee and otherwise at such times and in such manner as the Chair considers advisable;

    (c) ensure that the Committee meets at least quarterly in each financial year of the Corporation and otherwise as is considered advisable;

(d) in consultation with the Chairman of the Board (the "**Chairman**"), the Lead Director, if any, and the members of the Committee, establish dates for holding meetings of the Committee;

(e) set the agenda for each meeting of the Committee, with input from other members of the Committee, the Chairman, the Lead Director, if any, and any other appropriate individuals;

(f) approve the expenses for the CEO;

(g) ensure that Committee materials are available to any director upon request;

(h) act as a liaison and maintain communication with the Chairman, the Lead Director, if any, and the Board to co-ordinate input from the Board and to optimize the effectiveness of the Committee;

(i) report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board;

(j) assist the members of the Committee to understand and comply with the responsibilities contained in this charter;

(k) foster ethical and responsible decision making by the Committee;

(l) review, together with the Board (unless responsibility is delegated to the Committee by the Board), in advance of public release (i) any earnings guidance, and (ii), any press release containing financial information based upon financial statements and management's discussion and analysis that has not previously been released;

(m) notify the sender and acknowledge receipt of a report within five business days under the Code, or as soon as possible thereafter, except where a report was submitted on a confidential, anonymous basis;

(n) consider complaints relating to accounting matters covered by the Policy, undertake an investigation of the violation or suspected violation of the Policy as defined in the Policy and promptly report to the Committee and the Board any complaint that may have material consequences for the Corporation and, for each financial quarter of the Corporation, the Chair should, with input from the Chairman, if applicable, report to the Committee and to the Independent Auditor, the aggregate number, the nature and the outcome of the complaints received and investigated under the Policy;

(o) Monitor complaints received through the Whistle Blower hotline service.

(p) together with the Governance and Nominating Committee, oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time;

(q) ensure appropriate information is provided to the Committee by the officers of the Corporation to enable the Committee to function effectively and comply with this charter;

(r) ensure that appropriate resources and expertise are available to the Committee;

(s) ensure that the Committee considers whether any independent counsel or other experts or advisors retained by the Committee are appropriately qualified and independent in accordance with Applicable Laws;

(t) facilitate effective communication between the members of the Committee and the officers of the Corporation and encourage an open and frank relationship between the Committee and the Independent Auditor;

(u) attend, or arrange for another member of the Committee to attend, each meeting of the shareholders of the Corporation to respond to any questions from shareholders that may be asked of the Committee;

(v) in the event a Chairman is not appointed by the Board at the first meeting of the Board following the annual meeting of shareholders each year and the position of Chair of the Governance and Nominating Committee is vacant, serve as the interim Chairman until a successor is appointed; and

(w) perform such other duties as may be delegated to the Chair by the Committee or the Board from time to time.

Approved: November 2020

APPENDIX F

STOCK OPTION PLAN

<u>10557536 CANADA CORP.</u>

<u>2018 INCENTIVE STOCK OPTION PLAN</u>

1. PURPOSE: The purpose of this Stock Option Plan (the "**Plan**") is to encourage common stock ownership in 10557536 Canada Corp. (the "**Company**") by directors, executive officers, employees (including part time employees employed by the Company for less than twenty (20) hours per weeks) and consultants (including individuals whose services are contracted through a personal holding company that is wholly-owned by such individual) of the Company or any Affiliate, as that term is defined in the <u>Securities Act</u> (Ontario), of the Company or by a personal holding company of any such officer, director or employee that is wholly-owned by such individual or by registered retirement savings plans established by any such officers, directors or employees (hereinafter referred to as "**Optionees**") who are primarily responsible for the management and profitable growth of its business and to advance the interests of the Company by providing additional incentive for superior performance by such persons and to enable the Company to attract and retain valued directors, officers and employees by granting options (the "**Options**" or "**Option**") to purchase common shares of the Company on the terms and conditions set forth in this Plan and any Stock Option Agreements entered into between the Company and the Optionees in accordance with the Plan. Any Options granted to a personal holding company shall be cancelled immediately upon any change in control of such personal holding company, save and except in the event of the death of the principal of such personal holding company, in which case, subject to the terms of the Stock Option Agreement, the provisions of subparagraph 5(f)(iii) shall apply.

2. ADMINISTRATION: The Plan shall be administered by the Board of Directors from time to time of the Company (the "**Administrator**"). No member of the Board of Directors shall by virtue of such appointment be disentitled or ineligible to receive Options. The Administrator shall have full authority to interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management, and the decision of the Administrator shall be binding and conclusive. The decision of the Administrator shall be binding, provided that notwithstanding anything herein contained, the Administrator may from time to time delegate the authority vested in it under this clause to the President who shall thereupon exercise all of the powers herein given to the Administrator, subject to any express direction by resolution of the Board of Directors of the Company from time to time and further provided that a decision of the majority of persons comprising the Board of Directors in respect of any matter hereunder shall be binding and conclusive for all purposes and upon all persons. The senior officers of the Company are authorized and directed to do all things and execute and deliver all instruments, undertakings and applications as they in their absolute discretion consider necessary for the implementation of the Plan.

3. NUMBER OF SHARES SUBJECT TO OPTIONS: The Board of Directors of the Company will make available that number of common shares for the purpose of the Plan that it considers appropriate except that the number of common shares that may be issued pursuant to the exercise of Options under the Plan and under any other stock options of the Company shall not exceed 10% of the common shares issued and outstanding (on a non-diluted basis) at any time and from time to time. In the event that Options granted under the Plan, and under any other stock options of the Company which may be in effect at a particular time, are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the common shares not purchased under such lapsed Options.

4. PARTICIPATION: Options shall be granted under the Plan only to Optionees as shall be designated from time to time by the Administrator and shall be subject to the approval of such regulatory authorities as the Administrator shall designate, which shall also determine the number of shares subject to such Option. Optionees who are consultants of the Company or an Affiliate of the Company must either perform services for the Company on an ongoing basis or provide, or be expected to provide, a service of value to the Company or to an Affiliate of the Company. The Company represents that no option shall be granted to any Employee or Consultant who is not a bona fide Employee or Consultant.

5. TERMS AND CONDITIONS OF OPTIONS: The terms and conditions of each Option granted under the Plan shall be set forth in written Stock Option Agreements between the Company and the Optionee. Such terms and conditions shall include the following as well as such other provisions, not inconsistent with the Plan, as may be deemed advisable by the Administrator:

(a) Number of Shares subject to Option to any one Optionee: The number of shares subject to an Option shall be determined from time to time by the Administrator; but no one Optionee shall be granted an Option which when aggregated with any other options or common shares allotted to such Optionee under the Plan exceeds 5% of the issued and outstanding common shares of the Company (on a non-diluted basis), the total number of Options granted to any one Optionee in any 12 month period shall not exceed 5% of the issued and outstanding common shares of the Company (on a non-diluted basis), the total number of Options granted to all Insiders (as defined by the TSX Venture Exchange) in any 12 month period shall not exceed 10% of the issued and outstanding common shares of the Company (on a non-diluted basis). The total number of options granted to any one consultant in any 12 month period shall not exceed 2% of the issued and outstanding common shares of the Company (on a non-diluted basis). The total number of options granted to all persons, including employees, providing investor relations activities to the Company in any 12 month period shall not exceed 2% of the issued and outstanding common shares of the Company (on a non-diluted basis) and the Option Price per common share shall be determined in accordance with subparagraph (b) below. Options granted to persons providing investor relations activities must vest over a 12 month period with no more than 25% of the options vesting in any quarter.

(b) Option Price: The Option Price of any shares in respect of which an Option may be granted under the Plan shall be not less than the closing price of the Company's common shares on the date prior to the date of grant of the stock options on the principal exchange on which it trades or in accordance with the pricing rules of any other stock exchange on which the common shares of the Company may trade in the future.

In the resolution allocating any Option, the Administrator may determine that the date of grant aforesaid shall be a future date determined in the manner specified by such resolution. The Administrator may also determine that the Option Price per share may escalate at a specified rate dependent upon the year in which any Option to purchase common shares may be exercised by the Optionee. No options granted to Insiders (as defined by the TSX Venture Exchange) may be repriced without the approval of a majority of disinterested shareholders of the Company exclusive of any Insiders.

(c) Payment: The full purchase price of shares purchased under the Option shall be paid in cash upon the exercise thereof. A holder of an Option shall have none of the rights of a stockholder until the shares are issued to him. All common shares issued pursuant to the exercise of Options granted or deemed to be granted under the Plan, will be so issued as fully paid and non-assessable common shares. No Optionee or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares subject to an Option under this Plan, unless and until certificates for such common shares are issued to him or them under the terms of the Plan.

(d) Term of Options: Options may be granted under this Plan exercisable over a period not exceeding five (5) years. Each Option shall be subject to earlier termination as provided in subparagraph (f) below and paragraphs 7 and 8.

(e) Exercise of Options: The exercise of any Option will be contingent upon receipt by the Company at its head office of a written notice of exercise, specifying the number of common shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such common shares with respect to which the Option is exercised. An Option may be exercised in full or in part during any year of the term of the Option as provided in the written Stock Option Agreement; provided however that except as expressly otherwise provided herein or as provided in any valid Stock Option Agreement approved by the Administrator, no Option may be exercised unless that Optionee is then a director and/or in the employ of the Company. This Plan shall not confer upon the Optionee any right with respect to continuance as a director, officer, employee or consultant of the Company or of any affiliate of the Company.

(f) Termination of Options: Any Option granted pursuant hereto, to the extent not validly exercised, and save as expressly otherwise provided herein, will terminate on the earlier of the following dates:

(i) the date of expiration specified in the Stock Option Agreement, being not more than five (5) years after the date the Option was granted;

(ii) the date of termination of the Optionee's employment or upon ceasing to be a director and/or officer of the Company or up to a period not exceeding six (6) months thereafter for any cause other than by retirement, permanent disability or death unless the Optionee was retained to provide Investor Relations Activities in which case up to a period not exceeding thirty (30) days thereafter;

(iii) one (1) year after the date of the Optionee's death during which period the Option may be exercised only by the Optionee's legal representative or the person or persons to whom the deceased Optionee's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Optionee would have been entitled to exercise it at the time of his death if the employment of the Optionee had been terminated by the Company on such date;

(iv) up to six (6) months after termination of the Optionee's employment by permanent disability or retirement under any Retirement Plan of the Company during which six (6) month period the Optionee may exercise the Option to the extent he was entitled to exercise it at the time of such termination provided that if the Optionee shall die within such six (6) month period, then such right shall be extended to six (6) months following the death of the Optionee and shall be exercisable only by the persons described in subparagraph (f)(iii) hereof and only to the extent therein set forth.

(g) Non-transferability of Options: No Option shall be transferable or assignable by the Optionee other than by will or the laws of descent and distribution and shall be exercisable during his lifetime only by him.

(h) Applicable Laws or Regulations: The Company's obligation to sell and deliver stock under each Option is subject to such compliance by the Company and any Optionee as the Company deems necessary or advisable with all laws, rules and regulations of Canada and the United States of America and any Provinces and/or States thereof applying to the authorization, issuance, listing or sale of securities and is also subject to the acceptance for listing of the common shares which may be issued in exercise thereof by each stock exchange upon which shares of the Company are listed for trading.

6. ADJUSTMENT IN EVENT OF CHANGE IN STOCK: Each Option shall contain uniform provisions in such form as may be approved by the Administrator to appropriately adjust the number and kind of shares covered by the Option and the exercise price of shares subject to the Option in the event of a declaration of stock dividends, or stock subdivisions or consolidations or reconstruction or reorganization or recapitalization of the Company or other relevant changes in the Company's capitalization (other than issuance of additional shares) to prevent substantial dilution or enlargement of the rights granted to the Optionee by such Option. The number of common shares available for Options, the common shares subject to any Option, and the Option Price thereof shall be adjusted appropriately by the Administrator and such adjustment shall be effective and binding for all purposes of the Plan.

7. **ACCELERATION OF EXPIRY DATES**. Upon the announcement or contemplation of any event, including a reorganization, acquisition, amalgamation or merger (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and one or more of its affiliates (as such term is defined in the Securities Act (Ontario)), with respect to which all or substantially all of the persons who were the beneficial owners of the common shares, immediately prior to such reorganization, amalgamation, merger or plan of arrangement do not, following such reorganization, amalgamation, merger or plan of arrangement, beneficially own, directly or indirectly more than 50% of the resulting voting shares on a fully-diluted basis (for greater certainty, this shall not include a public offering or private placement out of treasury) or the sale to a person other than an affiliate of the Company of all or substantially all of the Company's assets (collectively, a "**Change of Control**"), the Company shall have the discretion, without the need for the agreement of any Optionee, to accelerate the Expiry Dates and/or any applicable vesting provisions of all Options, as it shall see fit. The Company may accelerate one or more Optionee's Expiry Dates and/or vesting requirements without accelerating the Expiry Dates and/or vesting requirements of all Options and may accelerate the Expiry Date and/or vesting requirements of only a portion of an Optionee's Options.

8. AMALGAMATION, CONSOLIDATION OR MERGER: If the event that the Company is a consenting party to a Change of Control, outstanding Options shall be subject to the agreement effecting such Change of Control and Optionees shall be bound by such Change of Control agreement. Such agreement, without the Optionees' consent, may provide for:

(a) the continuation of such outstanding Options by the Company (if the Company is the surviving or acquiring corporation);

(b) the assumption of the Plan and such outstanding Options by the surviving entity; or

(c) the substitution or replacement by the surviving or acquiring corporation or its parent of options with substantially the same terms for such outstanding Options.

The Company may provide in any agreement with respect to any such Change of Control that the surviving, new or acquiring corporation shall grant options to the Optionees to acquire shares in such corporation or its parent with respect to which the excess of the fair market value of the shares of such corporation immediately after the consummation of such Change of Control over the exercise price therefore shall not be less than the excess of the value of the common shares over the Exercise Price of the Options immediately prior to the consummation of such Change of Control.

9. APPROVALS: The obligation of the Company to issue and deliver the common shares in accordance with the Plan is subject to any approvals, which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Company. If any common shares cannot be issued to any Optionee for whatever reason, the obligation of the Company to issue such common shares shall terminate and any Option exercise price paid to the Company will be returned to the Optionee.

10. STOCK EXCHANGE RULES: The rules of any stock exchange upon which the Company common shares are listed shall be applicable relative to Options granted to Optionees.

11. AMENDMENT AND DISCONTINUANCE OF PLAN: Subject to regulatory approval, the Board of Directors may from time to time amend or revise the terms of the Plan or may discontinue the Plan at any time provided however that no such right may, without the consent of the Optionee, in any manner adversely affect his rights under any Option theretofore granted under the Plan.

12. EFFECTIVE DATE AND DURATION OF PLAN: The Plan shall remain in full force and effect from the date of shareholder approval hereof and from year to year thereafter until amended or terminated in accordance with Paragraph 10 hereof and for so long thereafter as Options remain outstanding in favour of any Optionee.

CERTIFICATE OF THE ISSUER

Dated November 27, 2020

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Issuer as required by the securities legislation of Ontario.

"*Stephen Coates*"
Stephen Coates
Chief Executive Officer

"*Geoff Kritzinger*"
Geoff Kritzinger
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF THE ISSUER

"*Robert Kirtlan*"
Robert Kirtlan
Director

"*Catherine Beckett*"
Catherine Beckett
Director

CERTIFICATE OF THE COMPANY

Dated November 27, 2020

To the best of my knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of Ontario.

"*Brian Kalish*"

Brian Kalish
Chief Executive Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY

"*Brian Kalish*"

Brian Kalish
Director

CERTIFICATE OF THE PROMOTER

Dated November 27, 2020

To the best of my knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of Ontario.

"*Brian Kalish*"

Brian Kalish