Mijem Inc.

Interim Condensed Financial Statements

October 31, 2021

(Unaudited)

Mijem Inc.

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Management Report

To the Shareholders of Mijem Inc.

The unaudited interim condensed financial statements of Mijem Inc. were prepared by management in accordance with appropriately selected International Financial Reporting Standards and have been approved by the Board of Directors. Management has used estimates and careful judgment, particularly in those circumstances where transactions affecting current periods are dependent on information not known until a future period.

Management is responsible for the integrity of the financial and operational information contained in these interim condensed financial statements. The Company has designed and maintains internal controls to provide reasonable assurance that assets are properly safeguarded and that the financial records are well maintained and provide relevant, timely and reliable information to management. The interim condensed financial statements have been prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized in the notes to the interim condensed financial statements.

Auditor involvement

The auditor of Mijem Inc. has not performed a review of these unaudited interim condensed financial statements.

Mijem Inc.

(Signed) "Phuong Dinh"
President and in the capacity of Chief Executive Officer

Toronto, Canada
January 14, 2022

Statements of Financial Position

(expressed in Canadian dollars) (unaudited)

(See Going Concern - Note 1)

As at,	October 31, 2021	July 31, 2021
Assets		
Current		
Cash and receivables	$ 120,519	$ 363,447
Government remittances recoverable	33,336	21,713
Investment tax credits receivable	44,365	31,789
Subscription receipts - held in trust	2,390,850	2,390,850
Prepaid expenses	3,472	5,515
	2,592,542	**2,813,314**
Non-current		
Equipment	2,445	2,770
Intangible assets	51,931	49,803
	54,376	**52,573**
Total Assets	**$ 2,646,918**	**$ 2,865,887**
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 330,571	$ 256,514
Subscription receipts liability	2,390,850	2,390,850
Current portion of long-term loans	61,538	62,475
	2,782,959	**2,709,839**
Non-current		
Convertible promissory note	534,859	512,418
Derivative liability	59,473	151,106
Long-term loans	159,339	174,231
	753,671	**837,755**
Total Liabilities	**3,536,630**	**3,547,594**
Shareholders' Deficiency		
Share capital	2,794,465	2,769,487
Warrant reserves	351,893	416,314
Options reserves	85,107	76,828
Contributed surplus	69,140	29,615
Deficit	(4,190,317)	(3,973,951)
Total Shareholders' Deficiency	**(889,712)**	**(681,707)**
	$ 2,646,918	**$ 2,865,887**

These consolidated financial statements are authorized for issue by the Board of Directors on January 14, 2021. They are signed on the Company’s behalf by:

“ Phuong Dinh ” Sole Director

Statements of Operations and Comprehensive Loss

(expressed in Canadian dollars) (unaudited)

For the 3 months ended	October 31, 2021	October 31, 2020
Revenue	$ -	$ 63
Expenses		
Research and development expense (recovery)	$ 88,229	$ (7,052)
Professional fees	88,091	34,499
Salaries and wages	53,212	35,782
Advertising and promotion	16,253	256
Interest	13,009	4,442
Listing fees	9,515	-
Share based compensation	8,279	-
Insurance	2,043	2,037
Amortization of intangible assets	1,991	1,991
Office and sundry	1,941	248
Communication	1,833	573
Rent	1,514	1,264
Depreciation of equipment	324	1,223
Bank charges	256	97
Total Expenses	286,490	75,360
Loss Before the following items	(286,490)	(75,297)
Interest income	110	14
Revaluation of cryptocurrency	1,079	-
Change in fair value of embedded derivatives	91,634	-
Accretion expense	(22,699)	-
Net Loss and Comprehensive Loss	(216,366)	(75,283)
Basic and Diluted Loss per share	(0.007)	(0.003)
Weighted average number of basic common shares outstanding	32,108,726	29,246,865

Mijem Inc.

Statements of Changes in Shareholders' Deficiency

(expressed in Canadian dollars) (unaudited)

	Number of shares		Share capital		Warrant Reserve		Option Reserve		Contributed Surplus		Deficit		Total Shareholders' Deficiency
Balance as at July 31, 2020	29,246,865	$	2,657,710	$	455,686	$	10,870	$	23,891	$	(3,482,110)	$	(333,953)
Shares and warrants issued for services	706,003		52,950										52,950
Exercise of warrants	2,045,967		58,827		(58,622)								205
Warrants issued for convertible promissory note					8,722								8,722
Share based compensation					16,252		65,958						82,210
Expiry of warrants					(5,724)				5,724				-
Net loss and comprehensive loss for the year											(491,841)		(491,841)
Balance as at July 31, 2021	**31,998,835**	**$**	**2,769,487**	**$**	**416,314**	**$**	**76,828**	**$**	**29,615**	**$**	**(3,973,951)**	**$**	**(681,707)**
Exercise of warrants	**833,337**		**24,978**		**(24,896)**								**82**
Share based compensation							**8,279**						**8,279**
Expiry of warrants					**(39,525)**				**39,525**				**-**
Net loss and comprehensive loss for the period											**(216,366)**		**(216,366)**
Balance as at October 31, 2021	**32,832,172**	**$**	**2,794,465**	**$**	**351,893**	**$**	**85,107**	**$**	**69,140**	**$**	**(4,190,317)**	**$**	**(889,712)**

Mijem Inc.

Interim Statements of Cash Flows
(expressed in Canadian dollars) (unaudited)

For the 3 months ended		October 31, 2021		October 31, 2020
Cash Flows from Operating activities				
Net loss for the period	$	(216,366)	$	(75,283)
Items not affecting cash				
Share based compensation		8,279		
Depreciation of equipment		324		1,223
Accretion expense		22,699		-
Amortization of Intangible assets		1,991		1,991
Revaluation of cryptocurrency		(1,079)		
Change in fair value of derivative liability		(91,634)		
		(275,786)		(72,069)
Net changes in non-cash working capital				
Government remittances recoverable		(11,623)		(866)
Investment tax credits receivable		(12,576)		19,267
Prepaid expenses		2,043		2,037
Accounts payable and accrued liabilities		74,058		22,179
Cash flows from operating activities		(222,804)		(29,452)
Cash Flows from Investing activities				
Purchase of equipment				(2,286)
Increase in intangible assets		(3,040)		(4,830)
Cash flows from investing activities		(3,040)		(7,116)
Cash Flows from Financing activities				
Proceeds on the exercise of warrants		83		
Repayment of long-term loans		(16,087)		
Cash flows from financing activities		(16,004)		-
Net decrease in cash for the period		(242,928)		(36,568)
Cash beginning of period	$	363,447	$	118,786
Cash end of period	$	120,519	$	82,218

1. NATURE OF OPERATIONS AND GOING CONCERN

Mijem Inc. (the “Company”) was incorporated under the Ontario Business Corporations Act on August 19, 2014.The Company’s primary business is the development and monetization of online and mobile applications. The Company’s registered office and the location of its records is 44 Victoria Street, Suite 820, Toronto, Ontario, M5C 1Y2.

The Company and its shareholders completed a go public transaction with Great Oak Enterprises Ltd. (“Great Oak”) on January 6, 2022 continuing as Mijem Newcomm Tech Inc. (“MNTI”) on January 6, 2022. On January 10, 2022 MNTI’s common shares were listed on the Canadian Securities Exchange under the symbol “MJEM” (see note 18).

These interim condensed financial statements predate the go public transaction.

Going concern

These interim condensed financial statements have been prepared in accordance with accounting principles that apply to a going concern. This presupposes that the Company will continue its operations in the foreseeable future and that it will be able to realize its assets and discharge its liabilities in the normal course of operations.

The Company has an accumulated deficit of $4,190,317 (July 31, 2021 - $3,973,951) at October 31, 2021 and incurred a net loss of $216,366 for the three months ended October 31, 2021 ($75,284 for the three months ended October 31, 2020). The Company also has a working capital deficit of $190,417 at October 31, 2021 (July 31, 2021 – positive working capital of $103,475).

The Company’s continuation as a going concern is dependent upon successful results from the development and monetization of the Company’s online and mobile applications and its ability to attain profitable operations and/or raise capital sufficient to meet current and future obligations, all of which are uncertain. These material uncertainties cast doubt about the ability of the Company to continue as a going concern. Management intends to finance operating costs over the next twelve months with the issuance of debt and/or common shares.

The carrying amount of assets, liabilities, revenue, and expenses presented in these interim condensed financial statements have not been adjusted as would be required if the going concern assumption was not appropriate.

COVID-19

In March 2020, the World Health Organization declared a global pandemic related to COVID-19. Its impact on global economies has been far-reaching and businesses around the world have had to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and significant declines. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of the government and central bank responses, remains unclear at this time. COVID-19 has directly impacted the Company’s operations. It is not possible to reliably estimate the duration and severity of the COVID-19 pandemic, nor its impact on the financial position, financial performance, and cash flows of the Company in future periods.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These interim condensed financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The policies in these interim condensed financial statements are based on IFRS issued and outstanding as of January 14, 2021, the date the Director approved the interim condensed financial statements.

Basis of measurement

These interim condensed financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair value. The presentation and functional currency is the Canadian dollar.

Cash and cash equivalents

Cash and cash equivalents include all cash and all highly liquid investments with original maturities of three months or less.

Equipment

Equipment is stated as cost less accumulated depreciation. Equipment is depreciated over their estimated useful life at the following annual rates:

Furniture and fixtures	20%
Computer equipment	55%

The Company regularly reviews its equipment to eliminate obsolete items.

Equipment is depreciated from the date the asset is available for use as intended until the date of disposition.

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of loss and comprehensive loss when the asset is derecognized. The assets' residual values, useful lives and methods of depreciation are reviewed at each reporting date and adjusted prospectively if appropriate.

Intangible Assets

Intangible assets include cryptocurrency, expenditures related to obtaining patents and technology rights associated with patents and trademarks.

Patents and technology rights

The amortization of patent costs commences when the associated products are available for commercial sale and is amortized on a straight line basis over its respective legal lives or economic life, if shorter. Patents have an estimated useful life of 17 years. Trademarks are considered to have finite useful lives of ten years and, as such, are recorded at cost less accumulated amortization. The amortization of trademarks is on a straight-line basis over ten years. Amortization methods, useful lives, and residual values are reviewed at each reporting date and adjusted if appropriate. Expenditures on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized in operations as incurred.

Development activities involve a plan or design for the production of new, or substantially improved, products or processes related to the Company's technology platforms. Development expenditures are capitalized only if the relevant IFRS criteria are met. Capitalized development expenditures are amortized from the beginning of commercial production and sales and are amortized on a straight-line basis over the remaining useful life of the related patent(s). Development expenditures, in relation to the Company's website and app platforms, have not satisfied the above criteria and are recognized in operations as incurred.

Cryptocurrency

Cryptocurrency meet the definition of intangible assets in IAS 38 Intangible Assets as they are identifiable non-monetary assets without physical substance. They are initially recorded at their fair value at their acquisition date and the revaluation method is used to measure the cryptocurrency subsequently. The Company revalues its cryptocurrency at the end of each of its reporting periods and at its annual financial reporting date. Increases in fair value are recorded in other comprehensive income as revaluation surplus, while decreases are recorded in other comprehensive income to the extent of any credit balance in revaluation surplus in respect of cryptocurrency, with any remaining decrease being recorded in profit or loss.

There is no recycling of gains from other comprehensive income to profit or loss. However, to the extent that an increase in fair value reverses a previous decrease in fair value that has been recorded in profit or loss, that increase is recorded in profit or loss.

The Company's only cryptocurrency is Bitcoin Satoshi Vision ("Bitcoin SV"). Management considers the fair value to be a level two input in the fair value hierarchy under IFRS 13 Fair Value Measurement as the price on this source represents an average of quoted prices on multiple cryptocurrency exchanges.

Impairment of long-lived assets

As of the end of each reporting period, the Company reviews the carrying amounts of its equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Long-lived assets with indefinite useful life, or those not yet available for use, are tested for impairment annually. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unity ("CGU") to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

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 pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior periods. A reversal of an impairment loss is recognized immediately in profit or loss.

Financial instruments

Classification

The Company determines the classification of financial instruments at initial recognition and classifies its financial instruments in the following measurement categories:

- Those to be measured subsequently at fair value (either through profit or loss ("FVTPL") or through other comprehensive income ("FVOCI");
- Those to be measured at amortized cost.

The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Assets that are held to collect contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Financial instruments with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement

Financial instruments at amortized cost
Financial instruments at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost less any impairment.

Currently, the Company classifies subscription receipts – held in trust as financial assets at amortized cost and accounts payable and accrued liabilities, long-term loans, promissory notes and subscription receipts liability as financial liabilities at amortized cost.

Financial instruments at FVTLP
Financial instruments are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Financial instruments at FVTPL are subsequently measured at fair value, with gains and loss on disposition and unrealized gains and loss from changes in fair value are recognized in the statement of loss and comprehensive loss. The effective portion of gains and losses on financial instruments designed as hedges is included in the statements of comprehensive loss in the period in which it arise. When management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Currently, the Company classifies cash, short-term investments, and derivative liability as FVTPL.

Financial instruments at FVOCI
Currently, the Company does not have any instruments classified as FVOCI.

Business model assessment
The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectation about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of the Company's stated objective for managing the financial assets is achieved and how cash flows are realized.

Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of the contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- features that modify consideration of the time value of money – e.g. periodical rest of interest

Reclassifications
The Company would only reclassify a financial asset when the Company changes its business model for managing the financial asset. All reclassifications are recorded at fair value at the date of reclassification, which becomes the new carrying value.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

Derecognition
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.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) cumulative gain or loss that had been recognized in other comprehensive income ("OCI") is recognized in profit or loss.

Financial liabilities
The Company derecognizes financial liabilities only when its obligation under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of loss and comprehensive loss.

Modifications of financial assets and financial liabilities
Financial assets
If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized, and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities
The Company derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting
Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously. Significant accounting policies (continued)

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions.

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any observable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data, or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolio of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Company on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustment –e.g., bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure – are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid. The Company recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Impairment

Credit-impaired financial assets
At each reporting date, the Company assesses whether financial assets carried at amortized costs and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default of past due event;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

Recognition of allowance of expected credit losses ("ECL") in the statement of financial position
The Company recognizes a loss allowance for ECL on trade receivables that are measured at amortized cost. The Company's applied the simplified approach for trade receivables and recognizes the lifetime ECL for these assets. The ECL on trade receivables is estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the customers, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets measured at amortized cost or FVOCI, the Company recognizes lifetime ECL only when there has been a significant increase in credit risk since initial recognition. If the credit risk on such financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance on those financial instruments at an amount equal to 12-months ECL.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial asset. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial asset that are possible within 12 months after the reporting date. In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Company compares the risk of default occurring on the financial asset at the reporting date with the risk of default occurring at the initial recognition. The Company considers both quantitative and qualitative factors that are supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Irrespective of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise. Despite the foregoing, the Company presumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default
For internal credit risk management purposes, the company considers a financial asset not recoverable if the customer balance owing is 120 days past due and information obtained from the customer and other external factors indicate that the customer is unlikely to pay its creditors in full.

Write off policy
Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company’s procedures for recovery of amounts due.

Revenue

Consulting fees are recognized over the period that the performance obligation is delivered.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income (loss), in which case it is recognized in equity or other comprehensive income (loss).

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for changes to tax payable with regards to previous periods.

Deferred tax is recognized using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary difference do not result in deferred tax assets or liabilities: the initial recognition of assets or liabilities that affect neither accounting nor taxable loss;

difference relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statements of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Related party transactions

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

Share capital

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of tax, from the proceeds.

Warrants

The Company follows the relative fair value method with respect to the measurement of common shares and warrants issued as units. The proceeds from the issuance of units are allocated between share capital and warrants. The warrant component is recorded in warrant reserve. Unit proceeds are allocated to common shares and warrants using the Black-Scholes option pricing model and the share price at the time of financing. If and when the warrants are exercised, consideration paid by the warrant holder, together with the amount previously recognized in warrant reserve, is recorded as an increase to share capital. For any warrants that do not vest upon issuance, a forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of warrants that vest. Upon expiration of warrants, the amount applicable to expired warrants is moved to contributed surplus.

Stock options

Under the Company's stock option plan, all stock options granted have graded vesting periods and are exercisable up to a maximum of 10 years from the date of grant. Each tranche of an award with graded vesting periods is considered a separate grant at each grant date for the calculation of fair value, and the resulting fair value is amortized over the vesting period of the respective tranches. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted, the estimated volatility, estimated risk-free rate and estimated forfeitures. The value of the options granted is recognized over the vesting period in share-based compensation expense in the statement of loss and comprehensive loss, and in options reserve. Upon exercise, shares are issued from treasury and the amount reflected in options reserve is credited to share capital, along with any consideration paid. Upon expiration of options, the amount applicable to expired options is moved from options reserve to contributed surplus.

If a grant of the share-based payments is cancelled or settled during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), the Company accounts for the cancellation or settlement as an acceleration of vesting and recognizes immediately the amount that otherwise would have been recognized for services over the remainder of the vesting period.

The amount recognized for goods or services received during the vesting period are based on the best available estimate of the number of equity instruments anticipated to vest. The Company revises that estimate, if necessary, if subsequent information indicates that the number of share options anticipated to vest differs from previous estimates. On vesting date, the Company revises the estimate to equal the number of equity instruments that ultimately vested. After vesting date, the Company makes no subsequent adjustment to total equity for goods or services received if the share options are later forfeited or they expire at the end of the share options' life.

If a grant of the share-based payment is modified during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) and the fair value of the new instruments is higher than the fair value of the original instrument, the incremental fair value granted is included in the measurement of the amount recognized for services received over the period form modification date until the date when the modified equity instruments vests, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognized over the remainder of the original vesting period of the original instrument.

Government grants

Government grant funds are recognized in the statement of loss and comprehensive loss when there is reasonable assurance that the Company has complied with the conditions attached to them and that the grant funds will be received. When the grant relates to an expense item, it is recognized as a recovery of the expense item over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it reduces the carrying amount of the asset. The grant is then recognized as income over the useful life of a depreciable asset by way of a reduce depreciation charge. Government grants in the form of forgivable or low interest loans are recognized in income as the difference between the amount received and the present value of anticipated future payments under the loan.

Foreign currency translation

The functional currency of the Company is the currency of the primary economic environment in which the Company operates. The interim condensed financial statements are presented in Canadian dollars, which is the Company's functional currency. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated in Canadian dollars at the period end exchange rate, while non-monetary assets and liabilities are translated at historical rates. Revenue and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Currency gains and losses arising on translation are included in the statement of loss and comprehensive loss.

Loss per share

Basic loss per share is calculated by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the period. Dilutive earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. In periods where a net loss is incurred, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive and basic and diluted loss per common share is the same. In a profit period, under the treasury stock method, the weighted average number of common shares outstanding used for the calculation of diluted earnings per share assumes that the proceeds to be received on the exercise of diluted stock options and warrants are used to repurchase common shares at the average price during the period.

3. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are not yet effective at October 31, 2021 and have not been applied in preparing these interim condensed financial statements. Management has determined that none of these will have a significant effect on the financial statements of the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these interim condensed financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These interim condensed financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the interim condensed financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements, estimates and assumptions that have the most significant effect on the amounts recognized in the interim condensed financial statements include going concern (note 1), estimated useful lives of equipment (note 7), and intangible assets (note 8), fair value of share-based payments (note 12) and fair value of financial instruments (note 15).

Ability to continue as a going concern

In order to assess whether it is appropriate for the Company to continue as a going concern, management is required to apply judgment and make estimates with respect to future cash flow projections.

In arriving at this judgment, there were a number of assumptions and estimates involved in calculating these future cash flow projections. This includes making estimates regarding the timing and amounts of future expenditures and the ability and timing of raising additional financing.

Estimated useful lives, impairment considerations and amortization of equipment and intangible assets

Amortization of equipment and intangible assets is dependent upon estimates of useful lives based on management's judgment.

Impairment of finite long-lived assets is influence by judgment in defining a CGU and determining the indicators of impairment, and estimates used to measure impairment losses.

Intangible assets valuation

The Company's intangible assets valuation requires management to use judgment in estimating the fair value of its patents. The fair value of patents is estimated on the basis of costs incurred.

Share based payments

The fair value of share-based compensation expenses are estimated using the Black-Scholes option pricing model and rely on a number of estimates, such as the expected life of the option, the volatility of the underlying share price, the risk free rate of return, and the estimated rate of forfeiture of options or warrants granted.

5. GOVERNMENT ASSISTANCE (see also note 11(b))

The Company recognized nil investment tax credits for the three months ended October 31, 2021 (nil for the three months to October 31, 2020). Investment tax credits receivable as at July 31, 2021 were $31,789 ($19,267 as at July 31, 2020).

The Company recognized $20,818 for the three months ended October 31, 2021 ($7,052 – in same period in 2020) in connection with the Northern Ontario Heritage Fund Corporation Grant ("NOHFC Grant") which is recorded in the statement of loss and comprehensive loss as a reduction of advertising and promotion and research and development expenses.

The Company recognized nil for the 3 months ended October 31, 2021 (nil for the 3 months to October 31, 2020) in connection is the National Research Council of Canada ("NRC") Industrial Research Assistance Program. The Company recognized $39,690 in 2021 ($20,328 in 2020) which is recorded in the statement of loss and comprehensive loss as a reduction of research and development expenses. [How is this lasts entence consistent with the first?]

6. SUBSCRIPTION RECEIPTS

On July 20, 2021, the Company completed a private placement (the "Offering") of 9,946,30 [Number is incomplete.] subscription receipts at a price of $0.25 per receipt, for gross proceeds of $2,486,658 and net proceeds of $2,390,850 (the “Subscription Receipts”). Each Subscription Receipt entitles the holder to 2.82301035 Class A common shares of the Company, a class of shares that have yet to be authorized. As the Offering is expected to be conducted in conjunction with the RTO (see note 16), the Class A common shares to be issued upon exercise of the Subscription Receipt are to be exchanged for certain shares in the capital of the resulting issuer of the RTO.

The proceeds of the Subscription Receipts are held in a trust account by the Company’s legal counsel pending completion of the RTO, subject to an outside release date of the escrowed funds of October 31, 2021. On November 23, 2021, this deadline was extended to December 31, 2021. Cash commission of 8% and broker warrants equal to 8% of the total Class A common shares subscribed for are payable on successful meeting of the RTO, at an exercise price equal to the deemed issue price per Class A share issuable upon conversion of the Subscription Receipts for a term of 24 months following the closing date of the RTO.

7. EQUIPMENT

	Furniture and Fixtures	Computer Equipment	Total
Cost			
Balance July 31, 2020	1,384	6,720	8,104
Additions	-	2,286	2,286
Balance July 31, 2021	1,384	9,006	10,390
Accumulated depreciation			
Balance July 31, 2020	869	5,163	6,032
Change for the year	103	1,485	1,588
Balance July 31,2021	972	6,648	7,620
Net Book Value			
Balance July 31,2021	412	2,358	2,770

Cost			
Balance July 31, 2021	**1,384**	**9,006**	**10,390**
Additions	**-**	**-**	**-**
Balance October 31, 2021	**1,384**	**9,006**	**10,390**
Accumulated depreciation			
Balance July 31,2021	**972**	**6,648**	**7,620**
Change for the year	**25**	**300**	**325**
Balance July 31,2021	**996**	**6,948**	**7,944**
Net Book Value			
Balance October 31, 2021	**387**	**2,058**	**2,445**

8. INTANGIBLE ASSETS

	Patents	Trademarks	Cryptocurrency	Total
Cost				
Balance July 31, 2020	21,656	42,961	-	64,617
Additions	9,231	-	10,000	19,231
Disposals	-	(3,060)	-	(3,060)
Balance July 31, 2021	30,887	39,901	10,000	80,788
Accumulated amortization				
Balance July 31, 2020	-	22,139	-	22,139
Change for the year	-	4,983	-	4,983
Loss on revaluation	-	-	3,863	3,863
Balance July 31,2021	-	27,122	3,863	30,985
Net Book Value				
Balance July 31,2021	30,887	12,779	6,137	49,803
Cost				
Balance July 31, 2021	**30,887**	**39,901**	**10,000**	**80,788**
Additions	**3,040**	**-**	**-**	**-**
Disposals	**-**	**-**	**-**	**-**
Balance October 31, 2021	**33,927**	**39,901**	**10,000**	**80,788**
Accumulated depreciation				
Balance July 31,2021	**-**	**27,122**	**3,863**	**30,985**
Change for the period	**-**	**1,991**	**-**	**1,991**
Gain on revaluation	**-**	**-**	**(1,079)**	**(1,079)**
Balance October 31, 2021	**-**	**29,113**	**2,784**	**31,897**
Net Book Value				
Balance October 31, 2021	**33,927**	**10,788**	**7,216**	**51,931**

Effective July 31, 2021 the Company reversed an accrual to its legal counsel for its trademarks in the amount of $3,060. This non-cash transaction has been excluded from the statement of cash flows.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITES

Accounts payable and accrued liabilities consist of the following:

	October 31, 2021	July 31, 2021
Legal fees payable	**146,236**	120,087
Audit fees accrual	**67,460**	68,000
Accounts payable	**116,875**	68,427
	330,571	256,514

10. CONVERTIBLE PROMISSORY NOTES AND DERIVATIVE LIABILITY

On April 1, 2021, the Company issued, via private placement, $750,000 of promissory notes (the “Notes”) bearing interest at 5% per annum, maturing on April 1, 2024 (the “Maturity Date”) and convertible into common shares at the holder’s option, at any time until the Maturity Date. The Company received $740,000 of the proceeds in cash and the remaining $10,000 was received in Bitcoin. The Bitcoin portion, as a non-cash transaction, is excluded from the cash flow statement. The principal and any accrued interest of the Notes are automatically convertible into common shares on the occurrence of (a) the Company completing an equity financing (a “Next Equity Financing conversion”) or (b) the Company completing a corporate transaction (a “Corporate Transaction conversion”). The holders have the option to convert the Notes into common shares either at any time after three months from the issuance of the Notes (the “Optional Conversion”) and at any time on or after the Maturity Date.

One of the Notes subscribers received 183,285 common share purchase warrants from the Company, exercisable at $0.0682 per share until April 1, 2024. The fair value of the warrants was determined under the Black-Scholes Model to be $8,722. For the purpose of calculating the fair value of the warrants, the following assumptions were used: Risk-free interest rate – 0.48%, Expected life – 3 years, Excepted annual volatility – 100%, Excepted dividends – Nil, Excepted forfeiture rate – Nil% (see note 12).

Upon a Next Equity Financing conversion, the number of common shares that Company issues would be the quotient (rounded down to the nearest whole share) obtained by dividing the outstanding principal balance and unpaid accrued interest under the Notes on a date that is no more than five days prior to the closing of the Next Equity Financing by the applicable conversion price. The Next Equity Financing conversion price is determined by dividing $3,000,000 by the fully diluted capitalization of the Company (the “Fully Diluted Capitalization”) prior to the closing of the next Equity Financing. The Fully Diluted Capitalization is defined as the number of issued and outstanding shares of the Company assuming the conversion or exercise of all of the Company’s outstanding convertible or exercisable securities, including convertible preferred shares and all outstanding vested or unvested options and/or warrants. Fully Diluted Capitalization excludes any convertible promissory notes, including the Notes; and simple agreements for future equity (“SAFEs”) issued by the Company and equity securities that are issuable upon conversion of any outstanding convertible promissory notes or SAFEs.

The Notes define a Corporate Transaction as either (a) the closing of the sale, transfer or other disposition, in a single transaction or series of related transaction, of all or substantially all of the Company’s assets; (b) the consummation of an amalgamation or merger of the Company into another entity; or (c) the closing of the transfer (whether by amalgamation, merger, or otherwise), in a single or series of related transaction to a person or group of the Company’s shares if, after such closing, such person or group would become the beneficial owner of more than 50% of the outstanding voting securities of the Company. Under the Corporate Transaction Conversion the number of shares the Company issues would be the quotient (rounded down to the nearest whole share) obtained by dividing the outstanding principal balance and unpaid accrued interest under the Notes immediately prior to the closing of a Corporate Transaction by the applicable conversion price. The Corporate Transaction conversion price is determined by dividing $5,000,000 (the "Valuation Cap") by the Fully Diluted Capitalization.

Under both the Optional and Maturity Date Conversion the number of shares the Company issues would be the quotient (rounded down to the nearest whole share) obtained by dividing the outstanding principal balance and unpaid accrued interest under the Notes at the time of Conversion by the applicable conversion price. The Optional and Maturity Date Conversion price is determined by dividing the Valuation Cap by the Fully Diluted Capitalization of the Company.

Since the conversion features offer a variable price and a variable number of shares to settle the Notes, the conversion feature has been accounted for as a derivative liability under IFRS. Accordingly, the fair value of the conversion feature, being $258,375, of the issuance proceeds was allocated to the derivative liability, $8,722 was allocated to the issued warrants and the remaining $482,903 was allocated to the Notes. The amount allocated to the Notes is then accreted to the amount owing upon maturity over the period to the Maturity Date.

The fair value of the derivative liability at the date of issuance was determined using the Binomial valuation model with probabilities of the four potential outcomes. The following assumptions were used:

- The probability of a Next Equity Financing conversion was assumed to be 80%; and the fair value of this outcome was estimated to be $270,002 based on the Black-Scholes valuation model with the following inputs: share price of $0.075; expected life of 0.5 year; $nil dividends; 100% volatility; risk- free interest rate of 0.22%; and a conversion price of $0.0667. Management estimated the date of a Next Equity Financing to be September 30, 2021.
- The probability of a Corporate Transaction conversion was assumed to be 10%; and the fair value of this outcome was estimated to be $151,450 based on the Black-Scholes valuation model with the following inputs: share price of $0.075; expected life of 1.17 years; $nil dividends; 100% volatility; risk-free interest rate of 0.22%; and a conversion price of $0.111175. Management estimated the date of a Corporate Transaction to be June 30, 2022.
- The probability of an optional conversion was assumed to be 0%.
- The probability of a Maturity Date conversion was assumed to be 10%; and the fair value of this outcome was estimated to be $272,285 based on the Black-Scholes valuation model with the following inputs: share price of $0.075; expected life of 3 years; $nil dividends; 100% volatility; risk-free interest rate of 0.48%; and a conversion price of $0.111175.

The fair value of the derivative liability at the reporting date was determined using the Binomial valuation model with probabilities of the four potential outcomes. The following assumptions were used:

- The probability of a Next Equity Financing conversion was assumed to be 10%; and the fair value of this outcome was estimated to be $271,376 based on the Black-Scholes valuation model with the following inputs: share price of $0.075; expected life of 0.50 year; $nil dividends; 100% volatility; risk- free interest rate of 1.08%; and a conversion price of $0.0241. Management estimated the date of a Next Equity Financing to be April 30, 2022.
- The probability of a Corporate Transaction conversion was assumed to be 80%; and the fair value of this outcome was estimated to be $9,944 based on the Black-Scholes valuation model with the following inputs: share price of $0.075; expected life of 0.10 years; $nil dividends; 100% volatility; risk-free interest rate of 1.08%; and a conversion price of $0.001470. Management estimated the date of a Corporate Transaction to be December 15, 2021.
- The probability of an optional conversion was assumed to be 0%.

- The probability of a Maturity Date conversion was assumed to be 10%; and the fair value of this outcome was estimated to be $243,794 based on the Black-Scholes valuation model with the following inputs: share price of $0.075; expected life of 2.42 years; $nil dividends; 100% volatility; risk-free interest rate of 1.11%; and a conversion price of $0.036168.

As a result, the Company recognized a gain on the revaluation of the embedded derivative of $91,633 for 3-month period ended October 31, 2021 ($nil in the same period in 2020).

For the 3-month period ended October 31, 2021, the Company incurred interest expense of $13,009 ($4,442 in the same period in 2020).

The movement in the Notes and derivative liability is as follows:

	Three months ended October 31, 2021	Year ended July 31, 2021
Notes		
Balance, beginning of the Period	**512,418**	-
Issuance	**0**	750,000
Less: fair value assigned to derivative liability	**0**	(258,375)
Less: fair value assigned to warrants issued	**-**	(8,722)
Accretion during the period	**22,441**	29,515
Balance, end of the period	**534,859**	512,418
Derivative liability		
Balance, beginning of the year	**151,106**	-
Value assigned from convertible debenture	**-**	258,375
Change in fair value	**(91,633)**	(107,269)
Balance, end of the year	**59.473**	151,106

11. LONG-TERM LOANS

	October 31, 2021	July 31, 2021
Loan payable with the Business Development Bank of Canada ("BDC") bearing interest at the bank's floating base rate plus 5% per annum and maturing on October 1, 2022 (a)	**938**	1,875
Loan payable with the BDC bearing interest at the bank's floating base rate plus 2% per annum and maturing on October 1, 2024 (a)	**182,212**	197,362
CEBA Loan (b)	**37,727**	37,469
	220,877	236,706

Amounts payable within one year	**(61,538)**	(62,475)
	159,339	**174,231**

(a) This loan is unsecured.

(b) On April 20, 2020 and December 18, 2020, the Company obtained $40,000 and $20,000, respectively, from the Government of Canada under the Canada Emergency Business Account ("CEBA") COVID-19 Economic Response Plan. Effective January 1, 2023, any outstanding balance is to bear interest at a rate of 5% per annum. The CEBA loan matures on December 31, 2025. If $40,000 of the outstanding balance is repaid on or before December 31, 2022, the remaining $20,000 is to be forgiven. The Company intends to repay
$40,000 by December 31, 2022 so that the remaining balance will be forgiven. The Company has used a 5% per annum discount rate to determine the fair value of the interest-free period. The fair value of the CEBA loan at inception has been estimated at $35,354, reflecting the anticipated forgiveness and its interest-free nature. This amount is being accreted to the amount anticipated to be payable at December 31, 2022 of $40,000. The difference between the amount received and the fair value of the CEBA loan has been account for as government assistance in the statement of loss and comprehensive loss.

The loans are repayable as follows:

In the year ending October 31, 2022	60,698
2023	98,327
2024	60,600
2025	1,252

12. SHARE CAPITAL

Authorized

The authorized capital of the Company consists of an unlimited number of common shares.

Issued during 2022

On October 19, 2021, the Company issued 833,337 common shares upon the exercise of warrants for gross proceeds of $83.

Issued during 2021

During 2021, the Company issued 706,003 common shares at a value of $52,950 in payment for services. These services were included in the statement of loss and comprehensive loss in professional fees expense for that amount.

On May 28, 2021, the Company issued 666,667 common shares upon the exercise of warrants for gross proceeds of $67.

On June 1, 2021, the Company issued 1,379,300 common shares upon the exercise of warrants for gross proceeds of $138.

Warrants

The following is a summary of changes in warrants for the three months ended October 31, 2021 and the year ended July 31, 2021:

	3 months ended October 31, 2021		Year ended July 31, 2021	
	Number of warrants outstanding	Weighted average exercise price	Number of warrants outstanding	Weighted average exercise price
Share Purchase Warrants				
Opening balance	**1,197,571**	**0.1231**	738,386	0.1557
Granted	**-**	-	483,285	0.0720
Exercised	**-**	**-**	-	-
Expired	**(214,286)**	**0.3500**	(24,100)	0.1038
Balance	**983,285**	**0.0737**	1,197,571	0.1231
Liquidity warrants (a)				
Opening balance	**9,827,600**	**0.0001**	11,873,567	0.0001
Granted	**-**	-	-	-
Exercised	**(833,337)**	**0.0001**	**-**	-
Expired			(2,045,967)	0.0001
Balance, July 31	**8,994,263**	**0.0001**	9,827,600	0.0001
Total	**9,977,548**	**0.0074**	11,025,171	0.0130

(a) Liquidity warrants entitle the holder thereof to purchase one additional common share at any time within a period of 15 to 24 months from March 31, 2020 ("Liquidity Event Deadline"), if a Liquidity Event has not been completed on or before the Liquidity Event Deadline. A Liquidity Event means (i) the filing of the final prospectus in relation to an initial public offering of the shares of the Company, (ii) the filing of a final decision document or the issuance of the final stock exchange bulletin in relation to a reverse take-over whereby a publicly listed company acquires all the issued and outstanding shares of the Company, meaning either (A) a merger or acquisition in which the Company is not the surviving entity; except for a transaction the principal purpose of which is to change the incorporating jurisdiction of the Company (b) the sale, transfer or other disposition of all or substantially all of the assets of the Company, or (C) any other corporate reorganization or business combination in which 50% or more of the outstanding voting stock of the Company is transferred, or exchange through merger, to different holders in a single transaction of the Company or is a series of related transactions. As a Liquidity Event did not occur on or before the Liquidity Event Deadline in respect of such Liquidity Warrants, the Liquidity Warrants are exercisable at an exercise price of $0.0001 and they expire between December 14, 2021 and December 19, 2021.

Issued during 2022

There were no warrants issued during the period.

Issued during 2021
On August 31, 2020 the Company issued 100,000 warrants to advisors for services provided. Each warrant entitles the holder thereof to subscribe for one common share of the Company at an exercise price of $0.075 per share until May 30, 2025. The fair value of the warrants was determined to be $5,450. For purposes of calculating the fair value of the warrants under the Black-Scholes model, the following assumptions were used: Risk free interest rate - 0.39%, Expected life – 4.75 years, Expected annual volatility – 100%, Expected dividends – $Nil, Expected forfeiture rate – Nil.

On September 30, 2020 the Company issued 100,000 warrants to advisors for services provided. Each warrant entitles the holder thereof to subscribe for one common share of the Company at an exercise price of $0.075 per share until May 30, 2025. The fair value of the warrants was determined to be $5,416. For purposes of calculating the fair value of the warrants under the Black-Scholes model, the following assumptions were used: Risk free interest rate - 0.34%, Expected life – 4.67 years, Expected annual volatility – 100%, Expected dividends – $Nil, Expected forfeiture rate – Nil.

On October 31, 2020 the Company issued 100,000 warrants to advisors for services provided. Each warrant entitles the holder thereof to subscribe for one common share of the Company at an exercise price of $0.075 per share until May 30, 2025. The fair value of the warrants was determined to be $5,385. For purposes of calculating the fair value of the warrants under the Black-Scholes model, the following assumptions were used: Risk free interest rate - 0.37%, Expected life – 4.58 years, Expected annual volatility – 100%, Expected dividends – $Nil, Expected forfeiture rate – Nil.

As of October 31, 2021 the Company had outstanding warrants as follows:

Expiry date	**Number of warrants outstanding**	**Exercise price**	**Estimated grant date fair value**	**Weighted average remaining contractual life (in years)**
Share purchase warrants				
April 1, 2024	183,285	0.0682	8,721	2.419
May 30, 2025	800,000	0.0750	43,959	3.581
	983,285		52,680	3,364
Liquidity warrants				
December 15, 2021	4,300,000	0.0001	155,243	0.121
December 18, 2021	527,600	0.0001	19,049	0.132
December 19, 2021	4,166,663	0.0001	124,921	0.134
	8,994,263		299,213	0.128
	9,977,548		**351,893**	**0.447**

The Company recognized $nil share-based payments expense related to the issuance of warrants for the period ended October 31, 2021 (for the same period in 2020 - $nil).

Options
On February 21, 2020, a stock option plan was approved by the board of directors of the Company. The total common shares to be issued as a result of the plan is not to exceed 10% of the total outstanding common shares at the time of granting of any options.

The following is a summary of changes in options for the three months ended October 31, 2021 and the year ended July 31, 2021:

	3 months ended October 31, 2021		**Year ended July 31, 2021**	
	Number of options outstanding	Weighted average exercise price	Number of options outstanding	Weighted average exercise price
Opening balance	1,950,000	0.0850	1,000,000	0.0750
Granted	-	-	950,000	0.0950
Expired	-	-	-	-
Balance	1,950,000	0.0850	1,950,000	0.0850

On February 4, 2021 the Company granted 450,000 stock options to a consultant of the Company. Each stock option is exercisable into common shares of the Company at an exercise price of $0.0667 per share, vesting immediately. The options expire on February 4, 2024. The fair value of the options was determined to be $21,506. For purposes of calculating the fair value of the options under the Black-Scholes model, the following assumptions were used: Risk free interest rate - 0.23%, Expected life – 3 years, Expected annual volatility – 100%, Expected dividends – $Nil, Expected forfeiture rate – Nil.

On June 1, 2021 the Company granted 500,000 stock options to a consultant of the Company. Each stock option is exercisable into common shares of the Company at an exercise price of $0.12 per share. The options vest 25% on each day prior to the anniversary of the grant date. The options expire on May 31, 2031. The fair value of the options was determined to be $31,666. For purposes of calculating the fair value of the options under the Black- Scholes model, the following assumptions were used: Risk free interest rate – 1.50%, Expected life – 10 years, Expected annual volatility – 95%, Expected dividends – $Nil, Expected forfeiture rate – Nil.

As of October 31, 2021 the Company had outstanding options as follows:

Expiry date	**Number of options outstanding**	**Number of options excercisable**	**Exercise price**	**Recognized estimated grant date fair value**	**Weighted average remaining contractual life (in years)**
May 10, 2030	1,000,000	500,000	0.0750	52,606	8.529
February 07, 2024	450,000	450,000	0.0667	21,506	2.271
May 31, 2031	500,000		0.1200	2,716	9.586
	1,950,000	950,000		76,828	7.606

The Company incurred $8,279 share-based compensation expense for the three month ended October 31, 2021 ($nil for the three months ended October 31, 2020).

13. RELATED PARTY TRANSACTIONS (see also note 12)

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and consist of its director and President and Chief Financial Officer.

The remuneration of key management personnel for the 3 month period ended October 31, 2021 and 2020 are as follows:

	3 months ended October 31, 2021	3 months ended October 31, 2020
Consulting fees, payroll and other benefits	**40,348**	19,925
Share-based payments	**4,115**	0
	44,463	19,925

For the period ended October 31, 2021 rent expense incurred with the President of the Company was $764 (for the same period 2020 - $764).

14. INCOME TAXES

The income tax recovery differs from the amount obtained by applying the statutory income tax rate of 26.50% (2020 – 26.50%) to the loss before income taxes for the year and is reconciled as follows:

	2021	2020
Loss before income taxes	(491,841)	(361,33)
Expected income tax recovery	(130,338)	(95,754)
Share based compensation	21,786	10,199
Other	(31,957)	16,116
Change in unrecognized deductible loss carryforwards	140,509	69,439
Effective tax expense	-	-

The significant components of the Company's deferred tax assets (liabilities) that have not been included in the statement of financial position are as follows:

	2021	2020
Non-capital loss carryforwards	1,017,345	887,620
Share issuance costs	12,919	17,229
Other	11,838	(3,256)
	1,042,102	901,593
Valuation allowance	(1,042,102)	(901,593)
	-	-

Net deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable income will be available against which the Company will be able to use these benefits.

As at July 31, 2021, the Company had non-capital losses which under certain circumstances can be used to reduce taxable income of future years. The non-capital losses expire as follows:

In the year ending July 31,	2035	969,754
	2036	212,797
	2037	230,479

2038	570,439
2039	1,090,571
2040	388,686
2041	376,312

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has classified its financial instruments as follows:

	October 31, 2021	July 31, 2021
FVTPL, measured at fair value:		
Assets		
Cash	120,519	363,447
Short-term investment	-	-
Liabilities		
Derivative liability	59,473	151,106
Financial assets, measured at amortized cost:		
Subscription receipts - held in trust	2,390,850	2,390,850
Financial liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	330,571	256,514
Subscription receipts liability	2,390,850	2,390,850
Long-term loans	220,877	236,706
Convertible promissory note	534,859	512,418

The carrying amount of the Company’s financial instruments approximates their fair values.

Fair value

The Company categorizes its financial instruments that are carried at fair value into a three level fair value hierarchy as follows:

Level 1: Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market. The types of assets and liabilities classified as Level 1 include cash balances in the Company’s bank account of $120,519 (July 31, 2021 - $363,447).

Level 2: Fair value is based on quoted prices for inactive markets for similar instruments; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drives are observable in active markets. Currently the Company has no level 2 instruments.

Level 3: valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable. The types of assets and liabilities classified as Level 3 include derivative liability of $59,473 (2020 -$nil).

The following table details the changes of the Level 3 instruments:

For the 3 months ended	October 31, 2021	July 31, 2021
Balance, beginning of the period	**151,106**	-
Value assigned from convertible debenture	**-**	258,375
Change in fair value	**(91,633)**	(107,269)
Balance, end of period	**59,473**	**151,106**

The significant unobservable inputs utilized in the estimation of the fair value of the derivative liability primarily relate to management's estimates and judgments of the probability of occurrence of certain financing events as defined within the Notes.

Risk Exposure and Management

Overview

The Company has exposure to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The principal financial risks to which the Company is exposed are credit risk, interest rate risks, liquidity and funding risk and currency risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's maximum exposure to credit risk at October 31, 2021 under its financial instruments is approximately $120,519, of which $111,445 was held by a major financial institution in Canada and $9,074 was held by a private trust company that is not rated by major rating agencies. Management believes the exposure to credit risk with respect to such institutions is not significant.

Interest rate risk

Interest rate risk is the risk that the fair value of futures cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances and interest bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments its makes and is satisfied with credit ratings of its banks. Management believes the exposure to interest rate risk is not significant.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements.

As at October 31, 2021, the Company had cash of $120,519 in order to meet current liabilities.

The following obligations existed as at October 31, 2021 and July 31, 2021:

	October 31, 2021					
	Total	**Less than 1 year**	**2 years**	**3 years**	**4 years**	**5+ years**
Accounts payable and accrued liabilities	**330,571**	330,751				
Subscription liability	**2,390,850**	2,390,850				
Long-term loans	**261,286**	71,719	126,637	62,930		
Convertible promissory note	**850,000**			850,000		
	3,832,707	2,793,140	126,637	912,930	-	-

	July 31, 2021					
	Total	**Less than 1 year**	**2 years**	**3 years**	**4 years**	**5+ years**
Accounts payable and accrued liabilities	256,514	256,514				
Subscription liability	2,390,850	2,390,850				
Long-term loans	280,578	73,709	127,668	63,547	15,654	-
Convertible promissory note	850,000			850,000		
	3,777,942	2,721,073	127,668	913,547	15,654	-

Currency risk

The Company is not currently subject to significant foreign currency risk.

16. COMMITMENTS

On June 9, 2021 the Company entered into a definitive agreement (the "RTO Agreement") with Great Oak Enterprises Ltd. ("Great Oak") for a reverse takeover by the Company of Great Oak (the "RTO") with a view to applying for a listing of the resulting common shares on a recognized exchange in Canada. The RTO is expected to be completed in November or December 2021. Under the terms of the RTO Agreement, Great Oak is to acquire 100% of the issued and outstanding common shares of the Company through the issuance of common shares of Great Oak. The RTO and the resulting ratio of common share to be issued to the shareholders of the Company would require Great Oak shareholders to approve a consolidation of its common shares on the basis of one new common share for each 2.8294 common share issued and outstanding prior to the completion of the RTO.

On July 30, 2021, in connection with the RTO Agreement, the Company entered into a consultant agreement. In consideration for the services provided, the consultant is to be paid $150,000 USD payable upon completion of the RTO. Additionally, the Company has committed to pay the consultant a monthly fee of $1,500 USD payable upon completion of the RTO and monthly thereafter until terminated.

17. CAPITAL MANAGEMENT

The Company considers capital to be the elements of shareholders' equity and the Notes. The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance its operations. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

18. SUBSEQUENT EVENTS

On December 13, 2021 Mijem received approval for listing on the Canadian Securities Exchange conditional on the following;

- Receipt of the final prospectus by the OSC;
- Closing of the RTO Transaction referenced above
- Satisfaction of the public distribution requirements; and
- Completion of any and all outstanding CSE application documentation and payment of fees
- pursuant to the Policies.

On December 14, 2021 Mijem received receipt of the final prospectus from the Ontario Securities Commission (OSC).

On December 22, 2021 Mijem converted the Subscription Receipts into shares In Mijem Inc., before the December 31, 2021 deadline.

On December 22, 2021 Mijem repaid the balance required to settle the CEBA Long Term loan.

On December

On January 6th, 2022. Mijem The Corporation closed its Transaction with Great Oak Enterprises Ltd that resulted in the reverse take- over Great Oak Enterprises Ltd of the by Mijem and its securityholders. The Transaction was structured as a "three-cornered" statutory amalgamation of Mijem and a wholly- owned subsidiary of Great Oak Enterprises Ltd , which resulted in the Great Oak Enterprises Ltd acquiring all of the securities of Mijem in exchange for the issuance to Mijem securityholders of securities of Great Oak Enterprises Ltd. As part of the Transaction, the Great Oak Enterprises Ltd took certain steps prior to the Amalgamation, including, among other things: (i) changing its name to "Mijem Newcomm Tech Inc."; (ii) consolidating its issued and outstanding common shares ("Common Shares") on the basis of one post-consolidation Common Shares for each 2.8294 pre-consolidation Common Shares; and (iii) reorganizing its Common Shares to issue one (1) new Common Share, three (3) Class A shares, three (3) Class B, and three (3) Class C, shares of the Mijem Newcomm Tech Inc. for each ten (10) existing Common Shares

On January 6th, 2020 Mijem Inc repaid the balance required to settle the loans outstanding with BDC.

On January 10th,2022 Mijem Newcomm Tech Inc., began trading on the Common shares on the Canadian Securities Exchange under the symbol MJEM.