Mijem Newcomm Tech Inc.
Interim Condensed Consolidated Financial Statements

For the three and nine months ended April 30, 2024 and 2023

To our Shareholders

The accompanying unaudited interim condensed consolidated financial statements of Mijem Newcomm Tech Inc. ("MNTI") have been prepared by and are the responsibility of MNTI management in accordance with International Accounting Standards ("IAS") 34, *Interim Financing Reporting* as issued by the International Accounting Standards Board. These unaudited interim condensed consolidated financial statements do not include all the information and notes required by International Financial Reporting Standards ("IFRS") for annual financial statements and should be read in conjunction with Mijem Newcomm Tech Inc.'s annual financial statements and notes for July 31, 2023**.**

Mijem Newcomm Tech Inc.

Interim Condensed Consolidated Statements of Financial Position

As at April 30, 2024 and July 31, 2023

Expressed in Canadian Dollars

As at	*Note*	April 30, 2024	July 31, 2023
		$	$
ASSETS			
Current:			
Cash		**5,478**	21,403
Short-term investment		**-**	5,000
Government remittances recoverable		**15,824**	17,479
Prepaid expenses		**431**	2,247
TOTAL ASSETS		**21,733**	46,129
LIABILITIES			
Current:			
Accounts payable and accrued liabilities	6	**219,230**	240,245
Promissory note payable	8	**83,409**	-
TOTAL LIABILITIES		**302,639**	240,245
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	7	**6,271,777**	6,271,777
Warrants reserve	7	**43,870**	117,874
Options reserve	7	**11,781**	-
Contributed surplus	7	**1,010,931**	936,927
Deficit		**(7,619,265)**	(7,520,694)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)		**(280,906)**	(194,116)
		21,733	46,129

Going concern (Notes 1 & 5)
Commitments and contractual obligation (Note 12)
Subsequent events (Note 13)

These interim condensed consolidated financial statements were approved for issue on June 19, 2024 by the board of directors and signed on its behalf by:

"Phuong Dinh" — Director

"Alex Pekurar" — Director

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

Mijem Newcomm Tech Inc.

Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

For the Three and Nine months Ended April 30, 2024 and 2023

Expressed in Canadian Dollars

	Note	Three Months 2024	Three Months 2023	Nine Months 2024	Nine Months 2023
		$	$	$	$
EXPENSES					
Advertising and promotion		**216**	596	**646**	94,314
Corporate management		**3,000**	12,355	**19,240**	133,473
Salaries		**-**	11,837	**(4,652)**	126,532
Research and development		**-**	10,488	**-**	102,210
Share based compensation	7	**-**	8,598	**11,781**	53,441
Interest		**1,198**	814	**2,343**	1,763
Professional fees		**(3,268)**	12,729	**11,924**	49,232
Regulatory fees		**4,127**	4,279	**14,134**	25,645
Communication		**332**	2,817	**4,719**	23,288
Amortization of intangible assets		**-**	1,990	**-**	5,972
Office and sundry expense		**1,932**	2,130	**11,930**	13,972
Bank charges		**221**	718	**1,570**	2,237
Insurance		**4,681**	29,887	**43,066**	95,216
Rent		**-**	150	**300**	450
Depreciation of equipment		**-**	-	**-**	132
TOTAL EXPENSES		**12,439**	99,388	**117,001**	727,877
LOSS BEFORE THE FOLLOWING ITEMS		**(12,439)**	(99,388)	**(117,001)**	(727,877)
Gain (loss) on account settlment		**-**	146	**18,430**	2,046
Gain (loss) on disposal of equipment		**-**	-	**-**	106
Revaluation of cryptocurrency		**-**	-	**-**	(412)
Foreign currency translation loss		**-**	11	**-**	(622)
NET LOSS AND COMPREHENSIVE LOSS		**(12,439)**	(99,231)	**(98,571)**	(726,759)
Basic and diluted loss per share		**(0.0004)**	(0.0036)	**(0.0035)**	(0.0262)
Weighted average number of basic common shares outstanding		**27,787,636**	27,787,636	**27,787,636**	27,787,636

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

Mijem Newcomm Tech Inc.

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

For the Nine months Ended April 30, 2024 and 2023

Expressed in Canadian Dollars

	Note	Number of shares	Share capital capital	Warrant reserve	Option reserve	Contributed surplus	Deficit	Total
			$	$	$	$	$	$
As at July 31,2022		27,787,636	6,271,777	117,874	377,746	501,333	(6,750,106)	518,624
Share based compensation	7	-	-	-	53,441	-	-	53,441
Expiry of options	7	-	-	-	(37,381)	37,381	-	-
Net loss and comprehensive loss for the period		-	-	-	-	-	(726,759)	(726,759)
As at April 30, 2023		**27,787,636**	**6,271,777**	**117,874**	**393,806**	**538,714**	**(7,476,865)**	**(154,694)**
Share based compensation	7	-	-	-	4,407	-	-	4,407
Cancellation and forfeiture of options	7	-	-	-	(398,213)	398,213	-	-
Net loss and comprehensive loss for the period		-	-	-	-	-	(43,829)	(43,829)
As at July 31, 2023		**27,787,636**	**6,271,777**	**117,874**	**-**	**936,927**	**(7,520,694)**	**(194,116)**
Warrants expired		-	-	(74,004)	-	74,004	-	-
Share based compensation	7	-	-	-	11,781	-	-	11,781
Net loss and comprehensive loss for the period		-	-	-	-	-	(98,571)	(98,571)
As at April 30, 2024		**27,787,636**	**6,271,777**	**43,870**	**11,781**	**1,010,931**	**(7,619,265)**	**(280,906)**

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

Mijem Newcomm Tech Inc.

Interim Condensed Consolidated Statements of Cash Flow
For the Nine months Ended April 30, 2024 and 2023
Expressed in Canadian Dollars

	Nine Months	
	2024	2023
	$	$
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss and comprehensive loss	**(98,571)**	(726,759)
Items not affecting cash from operating activities:		
Share based compensation	**11,781**	53,441
Accrued interest expense	**2,040**	-
Depreciation of equipment	**-**	132
Settlment of liabilities	**18,430**	-
Loss (gain) on disposal of equipment	**-**	(106)
Amortization of intangible assets	**-**	5,972
Revaluation of cryptocurrency	**-**	412
	(66,320)	(666,908)
Net changes in non-cash working capital:		
Government remittances recoverable	**1,655**	80,928
Short-term investment	**-**	28,000
Accounts receivable	-	-
Prepaid expenses	**1,816**	77,089
Accounts payable and accrued liabilities	**(41,485)**	96,350
Cash flows for operating activites	**(104,334)**	(384,541)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of short-term investments	**5,000**	-
Proceeds from sale of equipment	**-**	972
Cash flows from investing activities	**5,000**	972
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from promissory notes payable	**83,409**	-
Cash flows from financing activities	**83,409**	-
NET INCREASE (DECREASE) IN CASH FOR THE PERIOD	**(15,925)**	(383,569)
CASH, BEGINNING OF THE PERIOD	**21,403**	429,883
CASH, END OF THE PERIOD	**5,478**	46,314

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

1. Nature of Operations and Going Concern

Mijem Newcomm Tech Inc. (“MNTI”) (together with its subsidiary, the “Company”) is a company incorporated under the Canada Business Corporations Act and domiciled in the Province of Ontario. The address of the Company’s registered office is 401 Bay St., Suite 2704, Toronto, Ontario M5H 2Y4. The Company’s primary business is the development and monetization of online and mobile applications.

These interim consolidated financial statements (“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 $7,619,265 as of April 30, 2024 (July 31, 2023 - $7,520,694), incurred a net loss of $12,439 and $98,571 for the three and nine months ended April 30, 2024, respectively (2023 - $99,231 and $726,759) and a net decrease of cash flow from operating, investing, and financing activities of $15,925 for the nine months ended April 30, 2024 (2023 - $383,569).

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 a combination of issuance of debt and/or common shares.

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

2. Basis of Preparation

(a) Statement of compliance

These financial statements have been 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. The policies in these consolidated financial statements are based on IFRS issued and outstanding as of June 19, 2024, the date these consolidated financial statements were authorized and issued by the board of directors. The board of directors has the power to amend the consolidated financial statements after issue.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, and its wholly owned subsidiary Mijem Inc. Mijem Inc. is domiciled in the Province of Ontario. All intercompany transactions and balances between and among the Company and its subsidiary have been eliminated on consolidation. Where necessary, adjustments are made to assets, liabilities, and results of subsidiary to bring their accounting policies into line with those used by the Company. Subsidiaries are entities controlled by the Company. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. The Company controls an entity if it has power to direct the activities of the entity that significantly affects its returns (“the relevant activities”), has exposure or rights to variable returns from its involvement with the entity and has the ability to use its power to affect those returns.

Profit or loss and each component of other comprehensive income (“OCI”) are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the subsidiary to bring their accounting policies into line with the Company’s accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the Company and its subsidiary are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

(c) Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value.

(d) Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company and its subsidiary. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

3. Summary of Significant Accounting Policies

(a) Cash and cash equivalents

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

(b) 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 accounts payable and accrued liabilities 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 consolidated 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 consolidated 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 arises. When management has opted to recognize 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 and short-term investments as FVTPL.

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

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.

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 difficult of the borrower or issuer;
- A breach of contract such as a default or 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.

(c) 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.

(d) 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.

(e) 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.

(f) 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.

(g) Share-based compensation

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.

(h) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle, a provision is expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that the reimbursement will be received and the amount receivable can be measured reliably.

(i) Foreign currency translation

The functional currency of the Company is the currency of the primary economic environment in which the Company operates. The consolidated 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 consolidated statement of loss and comprehensive loss.

(j) 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.

4. New Standards and Interpretations not yet adopted

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. The following are effective for annual periods on or after January 1, 2024:

IAS 1 – In February 2021, the IASB issued ‘Disclosure of Accounting Policies’ with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company’s right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as a settlement of liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on or after January 1, 2024.

IAS 8 – In February 2021, the IASB issued ‘Definition of Accounting Estimates’ to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2024.

The Company is currently assessing the impact of these standards.

5. Critical Accounting Estimates and Judgments

The preparation of these consolidated 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 consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated 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 financial statements include going concern (note 1).

(Expressed in Canadian Dollars, except per share amounts)

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.

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.

6. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of the following:

	April 30, 2024	**July 31, 2023**
	$	$
Audit fees	**70,115**	79,116
Research and development	**65,950**	65,950
Corporate management	**32,451**	43,542
Advertising and promotion	**20,656**	21,581
Other	**2,423**	11,662
Legal fees	**15,725**	9,259
Regulatory fees	**11,910**	9,135
Accounts payable and accrued liabilities	**219,230**	240,245

7. Share Capital

Authorized
The Company is authorized to issue an unlimited number of common shares, an unlimited number of Classes A, B and C common shares, and an unlimited number of preferred shares issuable in series by the directors. The common shares are without nominal or par value and may carry rights, privileges, priorities, limitations, conditions, and restrictions according to the class they are issued at including receiving dividends and voting rights.

Shares Issued
The continuity of the outstanding share capital is as follows:

	Shares	**Proceeds**	**Share issuance costs**	**Total**
		$	$	$
Common shares				
As at July 31, 2023	27,787,636	6,568,552	(296,775)	6,271,777
Shares issued for cash	-	-	-	-
Exercise of warrants	-	-	-	-
Cancellation of shares	-	-	-	-
As at April 30, 2024	**27,787,636**	**6,568,552**	**(296,775)**	**6,271,777**

(Expressed in Canadian Dollars, except per share amounts)

Warrants

The following is a summary of the change in warrants for the following periods:

	Nine months ended April 30, 2024		Twelve months ended July 31, 2023	
	Number of warrants Outstanding	Weighted average exercise price	Number of warrants Outstanding	Weighted average exercise price
Share purchase warrants				
Opening balance	845,080	0.2328	845,080	0.2328
Granted	-	-	-	-
Expired	(561,720)	(0.2434)	-	-
Ending balance	283,360	0.2117	845,080	0.2328
Total	283,360	0.2117	845,080	0.2328

The following summarizes information about the share purchase warrants outstanding as at April 30, 2024:

Expiry Date	**Number of warrants outstanding**	**Exercise Price $**	**Estimated grant date fair value $**	**Weighted average remaining contractual life (in years)**
May 30, 2025	283,360	0.2117	43,870	1.082
	283,360	0.2117	**43,870**	**1.082**

(Expressed in Canadian Dollars, except per share amounts)

Options

The Company had a stock option plan which is administered by the Board of Directors of the Company with stock options granted to directors, management, employees, and consultants as a form of compensation. The number of common shares reserved for issuance of stock options is limited to a maximum of 10% of the issued and outstanding shares of the Company at any one time.

The following is a summary of changes in options for the nine months ended April 30, 2024 and 2023:

Balance at July 31, 2022	**2,763,182**	**$0.2346**
Granted	-	-
Expired- September 14, 2022	(300,000)	(0.2500)
Expired- April 30, 2023	(250,000)	(0.2500)
Expired- June 21, 2023	(360,000)	(0.2500)
Cancelled- June 21, 2023	(1,853,182)	(0.2322)
Balance at July 31, 2023	**-**	-
Granted - August 02, 2023	2,475,000	0.0500
Expired	-	-
Balance at April 30, 2024	**2,475,000**	**$0.0500**

On August 02,2023 the Company granted 2,475,000 incentive stock options (“Options”) pursuant to its stock option plan. Each Option entitles the holder to purchase one common share of the Company at an exercise price of $0.05 for a period of five years from the date of grant. The Options include 1,375,000 Options for the directors of the Company, 250,000 to an investor relations firm and 850,000 Options for the consultants of the Company.

The Company recognized share-based compensation expense related to the issuance of stock options for the nine months ended April 30, 2024 of $11,781 (2023 - $53,441)

The outstanding options and warrants disclosed above were anti-dilutive for the current year and did not impact the calculation of the loss per share.

8. Related Party Transactions

On September 6th, 2023, a promissory note facility of $50,000 was issued to Grove Capital Group Ltd. (“Grove”), a company controlled by the interim CEO. The note bears interest at 6%, compounded annually, and is due on demand by the lender. Grove further provided more funds to the Company. As at April 30, 2024, the balance was $68,400.

On December 28th, 2023, a promissory note facility of $15,000 was issued to Alex Pekurar, a Director of the Company. The note bears interest at 6%, compounded annually, and is due on demand by the lender.

As of April 30th , 2024, $68,409 of these note were payable to Grove Corporate Services and $15,000 to Alex Pekurar. Interest incurred on related party balances for the nine-month period ending April 30, 2024 is $2,040.

As of April 30, 2024, the Company owed Grove Corporate Services the amount of $35,248 towards management fees and other reimbursables. The amount is included in accounts payable.

Key management personnel are those who have authority and responsibility for planning, directing, and controlling the activities of the Company.

The table below includes consulting fees and share-based compensation that was paid or awarded to a Director or Officer of the Company or to a company related to any of them for services provided.

(Expressed in Canadian Dollars, except per share amounts)

	Three Months		Nine Months	
Period ended April 30,	**2024**	**2023**	**2024**	**2023**
	$	$	**$**	$
Consulting fees, payroll and other benefits	**4,500**	28,784	**23,500**	100,073
Share-based compensation	**-**	19,601	**8,330**	44,967
Interest	**1,189**	-	**2,040**	-
	5,689	48,385	**33,870**	145,040

9. Capital Disclosures

The Company's objectives when managing capital are to ensure its ability to continue as a going concern in order to pursue investments and opportunities which contribute to the success of the Company while providing shareholder returns. The company attempts to maximize returns to shareholders by also minimizing shareholder dilution and, when possible, utilizing non-dilutive funding arrangements.

The Company includes equity comprised of share capital, contributed surplus, warrant reserve, options reserve and accumulated deficit in its definition of capital. The Company has financed it operations and capital requirements primarily through the issuance of shares and recently on secured and convertible notes since inception.

The Company manages its capital structure and adjusts it in light of economic conditions and risk characteristics of its underlying assets. The Company may issue new shares or raise debt. The Company is not subject to any externally imposed capital requirements.

10. Contingencies

From time to time the Company may become subject to legal proceedings, claims, and litigation arising in the ordinary course of business. While the outcome of these matters is currently not determinable, the Company does not expect that the ultimate costs to resolve these matters will have a material adverse effect on its consolidated financial position, results of operations, or cash flow.

11. Financial Instruments and Risk Management:

The Company has classified its financial instruments as follows:

	April 30, 2024	July 31, 2023
	$	$
FVTPL, measured at fair value:		
Cash	5,478	21,403
Short-term Investments	-	5,000
Financial liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	219,230	240,245
Promissory note payable	83,409	-

The carrying value of the Company's financial instruments approximate their fair value.

(Expressed in Canadian Dollars, except per share amounts)

Fair values of financial assets and financial liabilities

The Company categorized 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 $5,478 (2023 - $21,403) and short-term investments $nil (2023- $5,000).

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. Currently the Company has no level 3 instruments.

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 April 30, 2024 under its financial instruments is approximately $5,478 all of which is held by major financial institutions in Canada. 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 future 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 April 30, 2024, the Company had cash, cash equivalents and short-term investments of $5,478 (July 31, 2023 - $ 26,403) which do not meet current liabilities.

The following obligations existed as at April 30, 2024 and July 31, 2023:

	April 30, 2024	
	less than 1 Year	1-5 years
	$	$
Accounts payable and accrued liabilities	219,230	-
Promissory note payable	83,409	-
	302,639	-

	July 31, 2023	
	less than 1 Year	1-5 years
	$	$
Accounts payable and accrued liabilities	240,245	-
Promissory note payable	-	-
	240,245	-

Currency risk

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

12. Commitments and contractual obligations

The Company has currently no material commitments or contractual obligations.

13. Subsequent events

There are no subsequent events at this time.