



nDatalyze Corp.
Interim Condensed Consolidated Financial Statements
expressed in Canadian dollars

For the three months ended May 31, 2024
(unaudited)

NOTICE OF NO AUDITORS' REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim condensed consolidated financial statements of nDatalyze Corp. have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements.

Calgary, Alberta
July 19, 2024

nDatalyze Corp.
Interim Condensed Consolidated Statement of Financial Position
expressed in Canadian dollars
(unaudited)

As at

| | May 31, 2024 | February 29 2024 |
|--|---------------------|-----------------------------|
| Assets | | (Audited) |
| Current | | |
| Cash | \$ 850,260 | \$ 794,101 |
| Accounts receivable | 7,015 | 59,704 |
| Prepaid expenses and deposits | 10,228 | 99 |
| | 867,503 | 853,904 |
| Non-current Assets | | |
| Furniture and Equipment, net of accumulated amortization | 1,238 | 1,453 |
| Goodwill (Note 6) | 56,000 | - |
| Intangibles (Note 5) | 22,217 | 22,549 |
| Total assets | \$ 946,958 | \$ 877,906 |
| Liabilities | | |
| Current | | |
| Accounts payable and accruals | \$ 57,364 | \$ 38,260 |
| Total liabilities | 57,364 | 38,260 |
| Shareholders' Equity | | |
| Share capital (Note 7) | \$ 2,916,932 | \$ 2,665,939 |
| Warrants (Note 8) | 58,109 | 58,109 |
| Contributed surplus | 1,668,871 | 1,668,871 |
| Deficit | (3,754,318) | (3,553,273) |
| Total shareholders' equity | 889,594 | 839,646 |
| | \$ 890,958 | \$ 877,906 |

Going Concern (Note 2)
Contingencies (Note 14)

Approved on behalf of the Board of Directors

Jim Durward

Director

S. Price

Director

The accompanying notes are an integral part of these financial statements

nDatalyze Corp.
Interim Condensed Consolidated Statement of Loss
and Comprehensive Loss
expressed in Canadian dollars
For the three months ended (unaudited)

| | three months ending | three months ending |
|--|---------------------------|---------------------------|
| | May 31, 2024 | May 31, 2023 |
| Revenues | | |
| Sales | \$ 827 | \$ 13,540 |
| Cost of Sales | - | 6,549 |
| Gross margin | \$ 827 | \$ 6,991 |
| Expenses | | |
| Depreciation and amortization | \$ 546 | \$ 475 |
| Advertising and promotion | 5,258 | 16,127 |
| Warranty | - | 83 |
| Interest and bank charges | 622 | (124) |
| Contractors | 82,650 | 6,667 |
| Legal, audit, and professional | 40,278 | 5,888 |
| Travel, meals and entertainment | 1,885 | 1,453 |
| Research and development | 40,287 | 19,439 |
| Insurance | - | 2,000 |
| Investor relations | 30,196 | 2,361 |
| Office expenses | 1,607 | 665 |
| Accounting | 4,000 | 2,000 |
| Rent | - | 2,100 |
| Utilities | - | 319 |
| Total expenses | 207,329 | 59,453 |
| Other Income | | |
| Foreign exchange gain (loss) | \$ (1,699) | \$ 374 |
| Interest Income | \$ 7,156 | \$ 5,626 |
| Total other income | 5,457 | 6,000 |
| Net operating loss and comprehensive loss | \$ (201,045) | \$ (46,462) |
| Loss per share (basic and diluted) | \$ (0.00) | \$ (0.00) |
| Weighted average shares outstanding (basic and diluted) | \$ 40,280,756 | \$ 38,712,425 |

The accompanying notes are an integral part of these financial statements

nDatalyze Corp.
Interim Condensed Consolidated Statement of Changes in Shareholders' Equity
expressed in Canadian dollars
For the three months ended May 31, 2024
(unaudited)

| | Share Capital (\$) | Warrants (\$) | Contributed Surplus (\$) | Deficit (\$) | Shareholders' Equity (\$) |
|---|--------------------------|------------------|--------------------------------|--------------------|---------------------------------|
| As at February 28, 2023 | 2,451,048 | 29,236 | 1,490,126 | (3,397,672) | 572,738 |
| Warrants expired | - | (29,236) | 29,236 | - | - |
| Net loss | - | - | - | (46,462) | (46,462) |
| As at May 31, 2023 | 2,451,048 | - | 1,519,362 | (3,344,134) | 526,276 |
| As at February 29, 2024 | 2,665,939 | 58,109 | 1,668,871 | (3,553,273) | 839,646 |
| Share issued for cash | 207,315 | - | - | - | 207,315 |
| Share issue costs | (12,322) | - | - | - | (12,322) |
| Finders fees shares issued on acquisition | 56,000 | - | - | - | 56,000 |
| Net loss | - | - | - | (201,045) | (201,045) |
| As at May 31, 2024 | 2,916,932 | 58,109 | 1,668,871 | (3,754,318) | 889,594 |

The accompanying notes are an integral part of these financial statements

nDatalyze Corp.
Interim Condensed Consolidated Statement of Cash Flows
expressed in Canadian dollars
For the three months ended
(unaudited)

Cash provided by (used in):

| | May 31, 2024 | May 31, 2023 |
|--|---------------------|---------------------|
| Operating activities | | |
| Net loss | \$ (201,045) | \$ (46,462) |
| Depreciation and amortization | 546 | 475 |
| Change in non-cash working capital (Note 12) | 61,665 | (21,217) |
| Cash flows used in operating activities | \$ (138,834) | \$ (67,204) |
| Investing activities | | |
| Investing in intangibles | - | (2,173) |
| Cash flows used in investing activities | \$ - | \$ (2,173) |
| Financing activities | | |
| Issuance of common shares, net of costs (Note 7) | 194,993 | - |
| | 194,993 | - |
| Increase (decrease) in cash | 56,159 | (69,377) |
| Cash, beginning of period | 794,101 | 742,739 |
| Cash, end of period | \$ 850,260 | \$ 673,362 |

The accompanying notes are an integral part of these financial statements

nDatalyze Corp.
Notes to the Interim Condensed
Consolidated Financial Statements
expressed in Canadian dollars
For the three months ended May 31, 2024
(unaudited)

1. Incorporation and operations

nDatalyze Corp. the "Company" was incorporated on January 24, 2018 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). On October 22, 2021 the Company changed its name to nDatalyze Corp.

The Company generates technologically-based solutions in diverse fields such as using pressurized CO₂ as a solvent, and applying machine learning to a proprietary records database to predict probable mental health conditions. The Company is publicly trading and listed on the Canadian Securities Exchange (CSE:NDAT) and the USOTC (NDATF).

On July 13, 2020, the Company incorporated a wholly-owned subsidiary 2273670 Alberta Ltd. for manufacturing alcohol-based extractors. The head office and registered office of the Company is located at Suite 1150, 707 – 7th Ave. SW Calgary, Alberta T2P 3H6.

On April 16, 2024 the Company acquired Mindbalanced Inc. ("MB") of Florida, USA. MB operating in multiple US States, is revolutionizing mental healthcare through its integrative and individualized approach. Utilizing advanced AI and biometric data analysis, MB envisions delivery of highly-informed insights into mental health conditions, facilitating personalized treatment plans designed to enhance patient outcomes.

2. Basis of preparation

Statement of compliance

These financial statements for the three months ended May 31, 2024 are unaudited and have been prepared in accordance with IAS 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") in effect for the period beginning March 1, 2023. These interim condensed financial statements should be read in conjunction with the audited financial statements and the notes thereto for the year ending February 29, 2024.

These financial statements were authorized for issue in accordance with a resolution of the directors on July 19, 2024.

Going Concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company has cumulative deficit of \$3,754,318 and used cash flow in operating activities for the three months ended May 31, 2024 of \$138,834. The Company has experienced declining revenues and its YMI application has not yet generated revenues.

As a result of these risks, there exists a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements do not reflect adjustments that would be necessary if the going concern basis was not appropriate. Consequently, adjustments would then be necessary to the carrying value of assets and liabilities, the reported revenues and expenses and their classifications. Such adjustments, if required, could be material.

Basis of measurement

These financial statements are stated in Canadian dollars which is the Company's functional currency and are

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prepared on a going concern basis, under the historical cost convention.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the financial statements are disclosed in Note 4.

Basis of consolidation

These consolidated financial statements include the financial statements of nDatalyze Corp. and its wholly-owned subsidiaries, 2273670 Alberta Ltd., a company incorporated in Alberta on July 13, 2020, and MB subsequent to acquisition date of April 16, 2024. MB has no revenues from acquisition date to May 31, 2024. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of the subsidiary incorporated during the year are included in the consolidated statements of loss and comprehensive loss from the date of incorporation or acquisition. All intercompany transactions, balances, income and expenses are eliminated through the consolidation process. The accounts of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies.

3. Significant accounting policies

Accounting policies as described in the audited financial statements and the notes thereto for the year ended February 29, 2024.

Functional and presentation currency

Items included in the financial statements of the Company's foreign subsidiary MB are measured using USD (the "functional currency") and converted to CAD for presentation in the financial statements.

4. Significant accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

Estimates

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting

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period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Share based payment transactions

The Company measures the cost of equity-settled share-based transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility, forfeiture rate, risk-free rate and dividend yield and making assumptions about them.

Judgements

The key areas of judgment which have been made in the process of applying the Company's accounting policies:

Impairment of non-financial assets

The determination of whether indicators of impairment exist and the aggregation of assets into cash-generating units ("CGU's") based on their ability to generate independent cash flows are subject to management's judgment. The recoverable amounts used for impairment calculations require estimates of future cash flows related to the assets or CGU's and estimates of discount rates applied to these cash flows.

Taxes

The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

Financial instruments

The Company is required to classify its various financial instruments into certain categories for the financial instruments' initial and subsequent measurement. This classification is based on management's judgement as to the purpose of the financial instrument and to which category is most applicable.

The Company has made a judgment regarding vendor performance. See Note 14.

The Company has made a judgment regarding estimated cost of acquisition of MB. See Note 6.

5. Intangibles assets

| | May 31, 2024 | February 29, 2024 |
|--|-------------------------|------------------------------|
| Intangible assets, cost | 26,282 | 26,282 |
| Accumulated amortization | (4,065) | (3,733) |
| Intangible assets, net of accumulated amortization | \$ 22,217 | \$ 22,549 |

On February 22, 2018, the Company acquired intangible assets including Canadian and US patents, URL website address, and all intellectual rights relating to the cannabis oil extraction technology.

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6. Acquisition of Mindbalanced Inc. (“MB”)

On April 16, 2024 the Company acquired MB of Florida, USA. Transaction details as set out below:

| Consideration paid | May 31, 2024 | |
|---|---------------------|--------|
| Estimated fair value of shares to be issued to acquire MB in the event sales targets are met - (up to 15,000,000 and 300,000 finders fees shares) | \$ | - |
| Fair value of 400,000 shares issued on closing – finders fees | | 56,000 |
| Estimated total acquisition cost of MB | \$ | 56,000 |
| Purchase price allocated to Goodwill | | 56,000 |
| | \$ | 56,000 |

At date of acquisition, MB had no material assets and no debt. Finders fee of 400,000 shares were issued on closing with an estimated fair value of \$56,000 – the market price of Company shares.

As the transaction is performance-driven, the number of Company shares issued to vendors will be between zero and 15,000,000 depending on MB performance:

- a) upon achieving CAD\$1,000,000 of gross revenue from MB operations and within one year after the closing, MB nominees will receive either 4,000,000 shares or 6,000,000 shares if met within the first six months;
- b) upon achieving CAD\$2,500,000 of gross revenues from MB operations within two years after closing, MB nominees will receive either 6,000,000 shares or 9,000,000 shares if met within the first twelve months.
- c) 300,000 finders fee shares contingent upon MB’s achieving CAD\$1,000,000 of gross revenue from MB operations within one year after the closing

As of date of issue of these financial statements, Company management estimate nil additional shares to be issued based on estimate of achieving performance targets above.

7. Share capital

Authorized:

- Unlimited number of voting Common Shares without par value
- Unlimited number of non-voting Preferred shares issuable in series without par value

Issued: Common Shares

| | Number of Shares | \$ |
|--|-------------------------|------------------|
| As at February 29, 2024 | 41,027,425 | 2,665,939 |
| Common shares issued i) | 1,000,000 | 207,315 |
| Finders fees shares issued on acquisition of MB (Note 6) | 400,000 | 56,000 |
| Cash Finder fees | | (12,322) |
| As at May 31, 2024 | 42,427,425 | 2,916,932 |

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i) On May 7, 2024 the Company closed an arm's-length private placement of 1,000,000 common shares at US\$0.15 per Share (US\$150,000), CAD\$207,315 CAD\$0.21 per Share. A 6% finders fee of US\$9,000 was paid.

8. Warrants

| Warrants | Number of warrants outstanding | Value | Average Exercise price | Weighted average life (in years) |
|-------------------------|--------------------------------------|-----------|------------------------------|--|
| As at February 29, 2024 | 1,197,500 | \$ 58,109 | \$0.25 | 1.19 |
| As at May 31, 2024 | 1,197,500 | \$ 58,109 | \$0.25 | 0.94 |

9. Capital disclosures

The Company's capital consists of share capital.

The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
- ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at period-end.

10. Financial instruments

The Company, as part of its operations, carries financial instruments consisting of cash, accounts receivable, and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair value

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

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The fair value of cash is determined on level 1 inputs. The carrying amount of cash, accounts receivable, and account payable and accruals approximates its fair value due to the short-term maturities of these items.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Market Risk

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

i. Interest rate risk

The Company has cash balances and no interest-bearing debt.

ii. Foreign currency risk

As at May 31, 2024, the Company had \$73,947 in cash denominated in US Dollars foreign currency.

iii. Commodity risk

The Company is not exposed to commodity price risk.

11. Stock Option Plan

The Company has a stock option plan for its officers, directors, employees and consultants. The maximum number of common shares issuable under the Plan cannot exceed 10% of the Company's issued and outstanding common shares.

| Stock Options | Number of options outstanding and exercisable | Weighted average exercise price | Weighted average life (in years) |
|--------------------------------|--|--|---|
| As at February 29, 2024 | 3,650,000 | \$0.08 | 1.85 |
| As at May 31, 2024 | 3,650,000 | \$0.08 | 1.35 |

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(unaudited)

12. Changes in non-cash working capital

| | Three months ended May 31, 2024 | \$ Three months ended May 31, 2023 |
|-------------------------------------|--|---|
| Accounts receivable | \$ 52,689 | \$ 8,356 |
| Inventory | - | 7,570 |
| Prepaid expenses and deposits | (10,129) | - |
| Accounts payable and accruals | 19,105 | (37,143) |
| Changes in non-cash working capital | \$ 61,665 | \$ (21,217) |

13. Related Party Transactions

Key management personnel

The Company has determined that the key management personnel of the Company consists of its officers and directors. The following table provides information on compensation expense related to officers and directors.

| | Three Months ended May 31, 2024 | Year ended February 29, 2024 |
|-------------------------------|--|---|
| Legal, audit and professional | 9,450 | \$ 43,727 |
| Share based compensation | - | 116,285 |
| Total | 9,450 | \$ 160,012 |

14. Contingencies

Future potential issues of shares as consideration for the acquisition of MB is based on achieving sales targets as discussed in Note. 6.

In 2023, the Company terminated its service agreement with a significant vendor and disputed \$217,739 in unpaid invoices included in accounts payables and accruals as at February 28, 2023. During the year ended February 29, 2024 the Company recorded a \$217,739 recovery of advertising and promotion expenses on reversal of these invoices.