LYNX GLOBAL DIGITAL FINANCE CORPORATION

(formerly CannaOne Technologies Inc.)

Condensed Consolidated Interim Financial Statements

Twelve Months Period Ended October 31, 2021

(Expressed in Canadian Dollars)

(Unaudited – prepared by management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of the Company have been prepared by, and are the responsibility of, the Company's management. The Company's external auditor has not performed a review of these condensed consolidated financial statements in accordance with standards established by CPA Canada for a review of interim financial statements by an entity's auditor

LYNX GLOBAL DIGITAL FINANCE CORPORATION
(formerly CannaOne Technologies Inc.)
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For the Period ended October 31, 2021
(Expressed in Canadian Dollars)

Financial Statements

LYNX GLOBAL DIGITAL FINANCE CORPORATION
(formerly CannaOne Technologies Inc.)
Condensed Consolidated Interim Statements of Financial Position
As at October 31, 2021 and October 31, 2020
(Expressed in Canadian Dollars)
(Unaudited – prepared by management)

As at	October 31, 2021	October 31, 2020
ASSETS	$	$
Current assets		
Cash	420,358	5,046
Receivables	753,643	8,909
	1,174,001	13,955
Non-Current assets		
Equipment (Note 5)	1	501
Intangible assets (Note 6)	304,548	304,548
Deferred acquisition costs (Note 7)	25,857,642	-
	26,162,191	305,049
Total assets	**27,336,192**	**319,004**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses (Notes 9 and 10)	179,653	208,463
Advances from related parties (Note 9)	-	22,016
Due to related parties (Note 9)	-	968,623
Lease liability	12,411	12,411
	192,064	1,211,513
Long-term liabilities		
Loan from shareholder (Notes 9 and 11)	37,299	37,299
Total liabilities	**229,363**	**1,248,812**
Non-controlling interest	239,510	-
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	40,387,778	2,222,585
Stock-based compensation reserve (Note 8)	7,349,749	233,934
Debt discount reserve (Notes 8, 9 and 11)	136,314	136,314
Deficit	(21,006,522)	(3,522,641)
Total shareholders' equity	26,867,319	(929,808)
Total liabilities and shareholders' equity	**27,336,192**	**319,004**

Going concern – Note 1
Subsequent events – Note 15

The accompanying notes form an integral part of the condensed interim financial statement

LYNX GLOBAL DIGITAL FINANCE CORPORATION
(formerly CannaOne Technologies Inc.)
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
For the twelve months ended October 31, 2021 and 2020
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Three Months ended October 31		Twelve Months ended October 31	
	2021	**2020**	**2021**	**2020**
	$	$	$	$
REVENUES	-	-	-	-
Cost of sales	-	-	-	-
GROSS PROFIT	-	-	-	-
EXPENSES				
Consulting	875,958	-	2,452,284	-
Marketing	925,000	-	1,501,703	84,749
Management fees (Note 9)	58,500	107,000	202,500	503,000
Professional fees	228,240	38,229	484,294	111,504
Stock based compensation	2,106,758	-	6,865,815	44,516
General and administrative (Note 9)	754,575	8,532	1,528,099	91,950
Rent	24,881	(20,343)	72,273	13,409
Depreciation (Note 5, 6 and 13)	125	37,481	500	79,343
Impairment charge	-	4,336	-	46,523
	4,974,037	**175,235**	**13,107,468**	**974,994**
LOSS FROM OPERATIONS	**4,974,037**	**175,235**	**13,107,468**	**974,994**
OTHER EXPENSES				
Non-controlling interest	(78,874)	-	(239,510)	-
Loss on shares-for-debt	-	-	4,615,923	-
Gain on fair value of derivative liability (Note 8)	-	3,926	-	(51,117)
Interest expense	-	-	-	6,583
Accretion expense (Notes 8, 9, 11 and 13)	-	42,046	-	71,842
Gain on conversion of debentures (Note 9)	-	(64,363)	-	(64,696)
NET LOSS AND COMPREHENSIVE LOSS	**(4,895,163)**	**(156,544)**	**(17,483,881)**	**(937,606)**
LOSS PER SHARE				
Basic and diluted	(0.05)	(0.01)	(0.22)	(0.04)
WEIGHTED AVERAGE COMMON SHARES				
Basic and diluted	98,971,606	22,056,005	80,728,600	21,753,526

The accompanying notes form an integral part of the condensed interim financial statements.

LYNX GLOBAL DIGITAL FINANCE CORPORATION
(formerly CannaOne Technologies Inc.)
Condensed Consolidated Interim Statements of Shareholders' Equity (Deficiency)
As at October 31, 2021
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Number	Common shares	Stock-based compensation reserve	Debt discount reserve	Deficit	Total
	#	$	$	$	$	$
Balance as at October 31, 2019	**20,675,939**	**2,014,772**	**189,418**	**136,314**	**(2,585,035)**	**(244,531)**
Net loss and comprehensive loss	-	-	-	-	(937,606)	(937,606)
Issuance of shares for conversion of debenture	1,380,066	207,813	-		-	207,813
Stock-based compensation	-	-	44,516	-	-	44,516
Balance as at October 31, 2020	**22,056,005**	**2,222,585**	**233,934**	**136,314**	**(3,522,641)**	**(929,808)**
Net loss and comprehensive loss	-	-	-	-	(17,483,881)	(17,483,881)
Stock-based compensation	-	-	6,865,815	-	-	6,865,815
Issuance of special warrants	-	-	250,000	-	-	250,000
Issuance of shares-for-debt	18,722,009	7,052,574	-	-	-	7,052,574
Issuance of shares for cash	39,774,253	6,693,700	-	-	-	6,693,700
Issuance of shares for services	250,000	250,000	-	-	-	250,000
Issuance of shares for acquisition	26,307,489	24,168,919	-	-	-	24,168,919
Balance as at October 31, 2021	**107,109,756**	**40,387,778**	**7,349,749**	**136,314**	**(21,006,522)**	**26,867,319**

The accompanying notes form an integral part of the condensed interim financial statements.

LYNX GLOBAL DIGITAL FINANCE CORPORATION
(formerly CannaOne Technologies Inc.)
Condensed Consolidated Interim Statements of Cash Flows
For the twelve months ended October 31, 2021 and 2020
(Unaudited – prepared by Management)
(Expressed in Canadian Dollars)

	2021	2020
	$	$
OPERATING ACTIVITIES		
Net loss and comprehensive loss	(17,483,881)	(937,606)
Non-cash expenses:		
Depreciation	500	79,343
Impairment charge	-	46,523
Accretion expense	-	71,842
Accrued interest	-	6,583
Stock-based compensation	6,865,815	44,516
Loss on shares-for-debt	4,615,923	(64,696)
Gain on fair value of derivative liability	-	(51,117)
Changes in non-cash working capital	(885,619)	129,087
Cash used in operating activities	**(6,887,262)**	**(675,525)**
FINANCING ACTIVITIES		
Issuance of common shares and warrants	7,302,574	-
Lease payments		(18,693)
Due to related party		468,000
Advances from related parties, net of repayments	-	22,016
Cash (used in) provided by financing activities	**7,302,574**	**471,323**
(DECREASE) INCREASE IN CASH	**415,312**	**(204,202)**
Cash - beginning	5,046	209,248
CASH – ending	**420,358**	**5,046**

Non-cash transactions:
Settled debt of $961,651 for shares valued at $5,577,574, resulting in a loss of $4,615,923
Issued 26,307,489 common shares valued at $24,168,919 on acquisitions

The accompanying notes form an integral part of the condensed interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Lynx Global Digital Finance Corporation ("the Company") was incorporated under the laws of the Province of British Columbia on October 19, 2016. The Company is listed on the Canadian Securities Exchange ("the Exchange") trading under the symbol LYNX. The Company head office is 303 – 595 Howe Street, Vancouver, BC, V6C 2R5. On April 16, 2021, the Company changed its name from CannaOne Technologies Inc. to Lynx Global Digital Finance Corporation.

These unaudited condensed consolidated interim financial statements are for the three and twelve months ended October 31, 2021 and have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business in the foreseeable future. These unaudited condensed consolidated interim financial statements do not include any adjustments to the carrying value and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's operations to date have been financed by issuing common shares. The Company's ability to continue as a going concern is dependent upon its ability to commence profitable operations, generate funds therefrom and raise additional financing in order to meet current and future obligations. The Company has not yet achieved profitable operations, has incurred significant operating losses and negative cash flows from operations, and has been reliant on equity financing. As at October 31, 2021, the Company has accumulated losses of $21,006,522. There is no assurance that the Company will be successful in generating and maintaining profitable operations, or able to secure future debt or equity financing for its working capital and development activities. If the Company is unable to obtain sufficient funding in this fashion, the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of the going concern assumption will be in significant doubt. These factors indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. These unaudited condensed consolidated interim financial statements do not reflect any adjustments to the amounts and classifications of assets and liabilities, which would be necessary should the Company be unable to continue as a going concern.

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

2. BASIS OF PREPARATION

The Company applies 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"). These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRS's issued and outstanding as of December 30, 2021, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual financial statements as at and for the year ended October 31, 2020. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the fourteen month fiscal period ending December 31, 2021 could result in restatement of these unaudited condensed consolidated interim financial statements.

The British Columbia Securities Commission has approved the Company's request to change its fiscal year end to December 31, 2021. The Company will report its 2021 fiscal results in the fourteen months ended December 31, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The functional currency and presentation currency of the Company is the Canadian dollar. Revenues and expenses in currencies other than the Canadian dollar are translated at the rate of exchange at the time of the transaction. Assets and liabilities denominated in foreign currencies are initially recorded at the exchange rate at the date of the transaction and are remeasured at the exchange rate at the period end date.

Transaction gains and losses that arise from exchange-rate fluctuations on transactions denominated in a currency other than the functional currency are recognized in the Statement of Loss and Comprehensive Loss.

Cash and cash equivalents

Cash and cash equivalents include bank demand deposit accounts and highly liquid short-term investments with maturities of three months or less when purchased, which are held at financial institutions in Canada and funds held in trust.

Equipment

Equipment is comprised of computer equipment that is recorded at cost and depreciated using the straight-line method over its estimated useful lives of 3 years. Repairs and maintenance costs are charged to expense as incurred. Expenditures that substantially increase the useful lives of existing assets are capitalized.

Intangible assets

Intangible assets include software development costs, acquired intellectual property and license agreements which will be amortized on a straight-line basis over the estimated useful lives of eight years after commencing commercial operations and technological feasibility has been established. The Company periodically evaluates whether changes have occurred that would require revision of the remaining estimated useful lives. The Company performs periodic reviews of its capitalized intangible assets to determine if the assets have continuing value to the Company.

The Company capitalizes software development costs if they are identifiable, are expected to generate future economic benefits, and technological feasibility has been established, otherwise software development costs are expensed as incurred. The Company has determined that after technological feasibility for software products is reached, the Company continues to address all high-risk development issues through coding and testing prior to release of the products to customers.

Impairment of other long-lived assets

The Company evaluates the recoverability of its equipment and assess intangible assets for indicators of impairment, annually. An impairment loss is recognized when the net book value of such assets exceeds the estimated future undiscounted cash flows attributed to the assets or the business to which the assets relate. Impairment losses, if any, are measured as the amount by which the carrying value exceeds the fair value of the assets. Intangible assets with indefinite useful lives and intangible assets not yet ready are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. During the period ended October 31, 2021 the Company recorded $Nil (October 31, 2020: $42,187) as an impairment loss related to license agreements the Company will no longer use.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Income taxes

Income taxes represent the sum of current and deferred tax expense. Income tax is recognized in net earnings except to the extent it relates to items recognized directly in shareholders' equity, in which case the income tax expense is recognized in shareholders' equity. Current income taxes are measured at the amount, if any, expected to be recoverable from or payable to taxation authorities based on the income tax rates enacted or expected to be enacted at the end of the reporting period.

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recorded to reflect differences between the accounting and tax base of assets and liabilities, and income tax loss carry forwards. Deferred income taxes are measured using tax rates that are expected to apply to the period when the deferred tax assets are realized or deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The effect of any changes in tax rates is recognized in net income in the period in which the change occurs or in shareholders' equity, depending on the nature of the items affected by the adjustment.

Deferred income tax assets and liabilities are not recognized for temporary differences relating to the initial recognition of goodwill; the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit or loss or taxable profit or loss; and certain differences associated with subsidiaries, branches and associates, and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized for deductible temporary differences to the extent it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow the asset to be recovered.

The Company offsets deferred tax assets and deferred tax liabilities relating to the same taxable entity. The Company may also offset deferred tax assets and deferred tax liabilities relating to different taxable entities, where the amounts relate to income taxes levied by the same taxation authority and the entities intend to realize the assets and settle the liabilities simultaneously.

Share capital

Proceeds from the exercise of stock options, special warrants and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company. Share capital and special warrants issued for non-monetary consideration are valued at the closing market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares, special warrants and warrants based on the residual value method. Under this method, the proceeds are allocated first to share capital based on the fair value of the common shares at the time the units are priced, and any residual value is allocated to the warrants reserve. Consideration received for the exercise of options or warrants is recorded in share capital and the related residual value is transferred to share capital. For those warrants that expire, the recorded value is transferred to expired warrants reserve in equity.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in private placements is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing price on the issuance date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

Equity-settled Share-based Payments

The Company operates equity-settled share-based payment plans for its eligible directors, employees, and consultants. None of the Company's current plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, the Company shall measure their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Company measured the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments, except warrants, are ultimately recognized as an expense in the profit or loss with a corresponding credit to stock-based compensation reserve, within shareholders' equity. Equity-settled share- based payments to brokers, in respect of an equity financing are recognized as issuance costs of the equity instruments with a corresponding credit to stock options and or warrants respectively, within shareholders' equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs, as well as the related compensation cost previously recorded as contributed surplus, are credited to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Loss per share

Basic loss per share is calculated by dividing the net loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. Diluted loss per share takes into consideration the potential effect of dilutive securities.

Use of estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The Company makes estimates for, among other items, useful lives for depreciation and amortization, determination of future cash flows associated with impairment testing for long-lived assets, determination of the fair value of stock options and warrants, valuation allowance for deferred tax assets, allowances for doubtful accounts, and potential income tax assessments and other contingencies. The Company bases its estimates on historical experience, current conditions, and other assumptions that it believes to be reasonable under the circumstances. Actual results could differ from those estimates and assumptions.

Comprehensive income (loss)

Comprehensive income (loss) includes all changes in equity of the Company, except those resulting from investments by owners and distributions to owners. Comprehensive income (loss) is the total of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) comprises revenues, expenses, gains, and losses that, in accordance with IFRS, require recognition, but are excluded from net income (loss). The Company does not have any items giving rise to other comprehensive income, nor is there any accumulated balance of other comprehensive income. All gains and losses, including those arising from measurement of all financial instruments have been recognized in net income for the period. Net loss for the period is equivalent to comprehensive loss for the period.

Financial instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading 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 FVTOCI. 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 if the Company has opted to measure them at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

The following table shows the measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities:

Financial assets/liabilities	IFRS 9 classification
Cash	FVTPL
Accounts payable	Amortized cost
Due to related parties	Amortized cost
Loan from shareholder	Amortized cost
Advances from related parties	Amortized cost
Derivative liability	FVTPL

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss and comprehensive loss in the period in which they arise. Where 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 loss.

Financial assets through other comprehensive income ("FVTOCI")

Financial assets that meet the following conditions are measured at FVTOCI:
- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company does not currently hold any financial instruments designated as FVTOCI.

Equity instruments designated as FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other OCI. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity instrument, instead, it is transferred to retained earnings. The Company does not currently hold any equity instruments designated as FVTOCI.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss and comprehensive loss.

Financial liabilities

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

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for assets or liabilities that are not based on observable market data.

Cash is carried at fair value using level 1 inputs, while the derivative liability is carried at fair value using level 3 inputs. The carrying values of the due to related parties, accounts payable, loan from shareholder and advances from related parties approximate their fair value due to their short-term nature.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

New standard adopted - Leases

The Company adopted IFRS 16, Leases on a modified retrospective approach as at November 1, 2019.. This new standard replaces IAS 17, Leases and the related interpretive guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed.

The Company's lease accounting policies are as follows:

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease is recognized as a right-of-use asset and corresponding liability at the commencement date. Each lease payment included in the lease liability is apportioned between the repayment of the liability and a finance cost. Lease liabilities represent the net present value of fixed lease payments (including in-substance fixed payments); variable lease payments based on an index, rate, or subject to a fair market value renewal condition; amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if it is probable that the lessee will exercise that option.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee's incremental borrowing rate. The period over which the lease payments are discounted is the expected lease term, including renewal and termination options that the Company is reasonably certain to exercise.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis in general and administration and sales and marketing expense in the consolidated statement of comprehensive loss. Short term leases are defined as leases with a lease term of 12 months or less.

Right-of-use assets are measured at cost, which is calculated as the amount of the initial measurement of lease liability plus any lease payments made at or before the commencement date, any initial direct costs and related restoration costs. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

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

4. SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATIONS UNCERTAINTY

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.

Share-Based Payment Transactions
The Company measures the cost of share-based payment transactions with employees by reference to the fair value of the equity instruments. 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 and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield and forfeiture rate of the share option. The assumptions and models used for estimating fair value for share-based payment transactions are determined at the time of the granting of such share-based compensation.

Income Taxes
Provisions for income 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 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 determinations are made.

(Expressed in Canadian Dollars)

5. EQUIPMENT

Equipment consists of the following:

	Computer Equipment
Cost	**$**
Balance as at October 31, 2019 and 2020	**55,039**
Additions	-
Balance as at October 31, 2021	**55,039**
Accumulated Depreciation	
Balance as at October 31, 2019	(52,410)
Charge for the year	(2,128)
Balance as at October 31, 2020	**(54,538)**
Charge for the Period	**(500)**
Balance as at October 31,2021	**(55,038)**
Net Book Value	
Balance as at October 31, 2020	501
Balance as at October 31, 2021	**1**

6. INTANGIBLE ASSETS

Intangible assets consist of the following:

	Intellectual property	License agreement	Development costs	Total
Cost	**$**	**$**	**$**	**$**
Balance, October 31, 2021 and October 31, 2020	**274,800**	**50,000**	**100,025**	**424,825**
Accumulated Amortization				
			-	-
Balance as at October 31, 2019	(17,175)	(3,125)	(6,252)	(26,552)
Charge for the year	(34,350)	(4,688)	(12,500)	(51,538)
Impairment charge	-	(42,187)	-	(42,187)
Balance as at October 31, 2020	**(51,525)**	**(50,000)**	**(18,752)**	**(120,277)**
Charge for the period	**-**	**-**	**-**	**-**
Balance as at October 31, 2021	**(51,525)**	**(50,000)**	**(18,752)**	**(120,277)**
Net Book Value				
Balance as at October 31, 2020	223,275	-	81,273	304,548
Balance as at October 31, 2021	**223,275**	**-**	**81,273**	**304,548**

Intellectual Property

The Company acquired a proprietary HIPPA data solution for the issuance of 5,416,667 common shares with a fair value of $325,000. The acquisition included $50,200 of computer equipment.

6. INTANGIBLE ASSETS (continued)

License Agreement
The Company acquired the exclusive right to use the VMoney payment platform for the cannabis industry in Canada in return for the issuance of 250,000 shares of common shares, with a fair value of $50,000 in addition to an agreement to pay to VMoney 2.5% of gross revenue. The agreement is for a term of three years commencing upon commercial operations and renewable with automatic one-year renewals thereafter. The Company had the non-exclusive right to use the VMoney platform in all other areas of the world and the right of first refusal to acquire the rights exclusively at such time when VMoney decides that it will enter into exclusive licensing for these areas. The Company determined it will no longer utilize the VMoney platform and has recorded an impairment charge of $42,187 during the year ended October 31, 2020.

Development Costs
The Company engaged Inspired Networks Inc., a company owned by the former Chief Technology Officer, to develop a new commercial platform, BloomKit. As at October 31, 2021, $100,025 (October 31, 2020: $100,025) had been paid and recognized as development costs for the commercial platform.

7. NEW ACQUISITIONS

During the twelve months ended October 31, 2021 the Company has made the following:

a) On February 23, 2021, the Company acquired a 51% controlling interest in Vasu International Payment Solutions Inc. ("Vasu"), a Philippines corporation, for the issuance of 6,896,552 shares of common stock of the Company, to the current shareholders of Vasu to acquire the equity interest.

   The shares issued are subject to certain pooling restrictions over one year period from closing.

   Vasu provides the Company with its strategy to create a pan-regional payment and financial network. Vasu's operations have been consolidated into the accounts of the Company with effect from March 1, 2021.

b) On March 31, 2021, the Company acquired, from the current shareholders, a 51% controlling interest in PayRight Pte. Ltd. ("PayRight"), a Singapore corporation, for the issuance of 1,530,000 shares of common stock with an agreed value of $1,147,500 The shares issued are subject to certain pooling restrictions over one year period from closing.

   Payright provides the Company with another key country in its strategy to create a pan-regional payment and financial network. Singapore is a major financial hub of the region and is recognized as one of the most advanced Fintech markets in Asia and a leader in global fintech investment. Connecting the Philippines and Singapore will provide the Company with a unique and compelling financial payment corridor.

   The operations of Payright have been consolidated into the Company with effect from April 1, 2021.

c) On April 22, 2021the Company acquired a 51% controlling interest in Arkin Technologies Pty Ltd. ("Arkin"), an Australian corporation, from the shareholders in exchange for 1,114,364 shares of common stock of the Company, with an agreed value of $1,140,428 (AUD 1,170,450) and warrants to purchase 250,000 shares of common stock of the Company at $1.17 per share exercisable until April 22, 2023. The shares issued are subject to certain pooling restrictions over one year period from closing.

   Subsequent to closing Arkin changed its name to Direct Agent 5 Pty Ltd. Arkin's operations have been consolidated with the Company effective from May 1, 2021.

7. NEW ACQUISITIONS (continued)

d) On May 3, 2021 the Company closed on the acquisition of 100% of the issued and outstanding shares of iShares Holding Inc., a Philippines corporation ("iShares"), and 10,000 shares of Direct Agent 5, Inc., a Philippines corporation ("DA5"), in exchange for a total of 11,823,880 shares of the Company's common stock and warrants to purchase an additional 2,000,000 shares of the Company's common stock at $1.24 per share, exercisable until April 30, 2023. The shares issued are subject to certain pooling restrictions over one year period from closing.

iShares owns and controls 50% of the equity of DA5 and the 10,000 shares of DA5 represent 1% of the issued and outstanding shares of DA5 with the result being that the Company acquiring a control position of 51% of DA5.

Due to travel restrictions caused by Covid-19 protocols the Company's management has been unable to travel to the Philippines to assert its control over iShares and DA5 and as such the Company has determined that it can not consolidate the operating results, assets and liabilities of both iShares and DA5 due to lack of management control, unavailability of financial results and the Company's inability to ascertain the validity of the financial accounts of iShares and DA5. The Company will review for any impairment as at December 31, 2021.

e) On July 15, 2021, the Company acquired 100% of the issued and outstanding shares and shareholder advances of US $1,136,496 of Ausphil Technologies Pty. Ltd. ("AusPhil"), an Australian private company for cash of US 1,161,250; 3,813,330 shares of the common stock of the Company and warrants to purchase an additional 1,500,000 shares of common stock at $1.24 until July 15, 2023. Ausphil owns a 52.15% equity interest in the common shares and 100% interest in the preferred shares of Binangonan Rural Bank Inc. ("BRB"), a Philippine rural bank. As at October 31, 2021 US $1,075,000 of the cash element of the purchase price had been paid and the amount of US $86,250 was due December 1, 2021.

Although AusPhil has equity control of BRB control of BRB was never perfected as Ausphil does not control the board of directors and management. Since the acquisition, due to Covid-19 travel restrictions, the Company has not been able to travel to the Philippines to assert its control over BRB. Until such time as the Company is able to assert control over BRB the acquisition will be recorded as an equity investment.

The above acquisitions are being accounted as business acquisitions under IFRS3.

The Company is currently in the process of completing the valuation with the assistance of an independent valuation firm. The preliminary purchase price allocations are not yet finalized relate to the valuation of the tangible and intangible assets acquired and the residual goodwill. The Company has currently valued all costs of the acquisition to deferred acquisition costs and based on the work of the independent valuation firm, the purchase price allocation is subject to change within the purchase price allocation period (generally one year from the acquisition date.

8. SHARE CAPITAL

Authorized Share Capital
The Company is authorized to issue an unlimited number of shares of common stock without par value.

As at October 31, 2021 there were 107,109,756 (October 31, 2020: 22,056,005) common shares outstanding.

8. SHARE CAPITAL (continued)

Shares issued during the twelve months ended October 31, 2020:

On January 20, 2020, the Company issued 1,380,066 common shares with a fair value of $207,813 on conversion of the principal and accrued interest of the convertible debenture .

Shares issued during the twelve months ended October 31, 2021:

On February 12, 2021, the Company settled $961,651 of debt by way of the issuance of 12,822,009 common shares at $0.075 per share.

On February 17, 2021, the Company closed a private placement and issued 22,335,000 units, at a price of $0.10 per unit, for total gross proceeds of $2,233,500. Each unit consists of one common share and one-half transferable common share purchase warrant. Each warrant is exercisable to acquire one common share at an exercise price of $0.25 per share until February 17, 2023.

On February 23, 2021, the Company issued 6,896,552 common shares on the acquisition of Vasu (See Note 7).

On March 18, 2021, the Company closed a non-brokered private placement and issued an aggregate of 6,792,453 units (the "Units") at a price of CDN$0.265 per Unit for gross proceeds of CDN$1,800,000. Each Unit consists of one common share in the capital of the Company (a “Share”) and one whole transferable common share purchase warrant (a “Warrant”). Each whole Warrant is exercisable to acquire one Share at an exercise price of CDN$0.50 per Share until March 17, 2023 which is 24 months from the date of issuance.

On April 9, 2021, the Company issued 1,530,000 common shares on the acquisition of Payright (See Note 7).

On April 30, 2021, the Company issued 1,197,941 common shares on the acquisition of Arkin (See Note 7).

On May 4, 2021, the Company issued 12,710,671 common shares on the acquisition of DA5 (See Note 7).

On June 13, 2021, the Company issued 250,000 common shares at a price of $1 per common share to a service provider in respect to marketing and media/social media advisory services, creation and production.

On July 15, 2021, the Company issued 3,972,325 common shares on the acquisition of BRB (See Note 7).

On August 24, 2021, the Company completed the first tranche of a non-brokered private placement. In connection with the closing of the offering, the company issued an aggregate of 5,841,100 units at a price of 25 cents per unit for gross proceeds of $1,460,275. Each unit consists of one common share in the capital of the company and one whole transferable common share purchase warrant. Each whole warrant is exercisable to acquire one share at an exercise price of 50 cents per share until August 24, 2023.

On September 23, 2021, the Company completed the final tranche of a non-brokered private placement. In connection with the closing of the offering, the company issued an aggregate of 3,935,200 units at a price of 25 cents per unit for gross proceeds of $983,800. Each unit consists of one common share in the capital of the company and one whole transferable common share purchase warrant. Each whole warrant is exercisable to acquire one share at an exercise price of 50 cents per share until September 17, 2023.

On October 29, 2021, the Company issued 5,900,000 common shares at a value of $0.25 per common share on the settlement of certain debts.

During the twelve months ended October 31, 2021, the Company issued 970,500 common shares on the issuance of warrants for gross proceeds of $242,625.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (continued)

Escrowed Shares

Of the 107,109,756 common shares issued and outstanding, as at October 31, 2021 795,000 (October 31, 2020: 2,385,000) common shares held by former directors, officers, and management are held in escrow. These escrowed shares will be released as follow:

Date		Quantity
36 months after the listing date	11/20/2021	795,000
		795,000

Special Warrant

On April 9, 2021, the Company issued 5,000,000 special warrants for proceeds of $250,000. Each special warrant is exercisable into one unit of the Company at an exercise price of $0.22 per unit for two years (until April 9, 2023). Each unit consists of one common share and one transferable warrant. Each warrant is exercisable into one additional common share at $0.50 for a two-year period from issuance.

Warrants

	Number	Weighted average exercise price $
Outstanding, October 31, 2019	898,648	0.92
Expired	898,648	0.92
Outstanding, October 31, 2020	-	-
Issued	27,636,253	0.34
Exercised	(870,500)	0.25
Outstanding October 31, 2021	26,765,753	0.34

As at October 31, 2021, exercisable warrants were outstanding as follow:

Exercisable warrants	Exercise price $	Expiry date
10,197,000	0.25	February 17, 2023
6,792,453	0.50	March 17, 2023
5,841,100	0.50	August 24, 2023
3,935,200	0.50	September 23, 2023

Stock Options

On February 2, 2021, the Company granted 1,800,000 stock options which are exercisable at $0.365 for a period of five years. These options vest immediately on the date of grant. The fair value of these options was estimated to be $516,718 using the Black-Scholes Option Pricing Model with the following assumptions: share price $0.385, exercised prices $0.365, expected dividend yield of 0%, expected volatility of 100% which is based on comparable companies, risk-free interest rate of 0.34%; and expected life of 5 years.

On February 23, 2021, the Company granted 2,000,000 stock options which are exercisable at $0.54 for a period of five years. These options vest immediately on the date of grant. The fair value of these options was estimated to be $763,053 using the Black-Scholes Option Pricing Model with the following assumptions: share price $0.52, exercised prices $0.54, expected dividend yield of 0%, expected volatility of 100% which is based on comparable companies, risk-free interest rate of 0.34%; and expected life of 5 years.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL (continued)

Stock Options (continued)

On March 16, 2021, the Company granted 4,300,000 stock options which are exercisable at $1.06 for a period of five years. These options vest immediately on the date of grant. The fair value of these options was estimated to be $3,479,286 using the Black-Scholes Option Pricing Model with the following assumptions: share price $1.09, exercised prices $1.06, expected dividend yield of 0%, expected volatility of 100% which is based on comparable companies, risk-free interest rate of 0.34%; and expected life of 5 years.

On September 3, 2021, the Company granted 6,500,000 stock options which are exercisable at $0.35 for a period of five years. These options vest immediately on the date of grant. The previously announced granting of two million stock options with an exercise price of 54 cents per option on Feb. 23, 2021, and the granting of 4.4 million stock options with an exercise price of $1.06 per option on March 16, 2021, were never completed. The fair value of these options was estimated to be $2,106,758 using the Black-Scholes Option Pricing Model with the following assumptions: share price $0.35, exercised prices $0.35, expected dividend yield of 0%, expected volatility of 100% which is based on comparable companies, risk-free interest rate of 0.46%; and expected life of 5 years.

Total stock-based compensation expense for the twelve months ended October 31, 2021, is $6,865,815 (2020: $44,516) related to options that vested in the period.

	Number	Weighted average exercise price $
Outstanding, October 31, 2019	400,000	1.01
Expired	(150,000)	0.71
Outstanding, October 31, 2020	250,000	1.19
Granted	14,600,000	0.78
Cancelled	(6,300,000)	0.89
Outstanding, October 31, 2021	**8,550,000**	**0.83**

As at October 31, 2021, outstanding, exercisable incentive stock options are as follows:

Exercisable options	**Exercise price $**	**Expiry date**
125,000	1.13	May 1, 2022
125,000	1.25	May 2, 2022
1,800,000	0.365	February 2, 2026
6,500,000	0.35	September 3, 2026

The weighted average life of options outstanding as at October 31, 2020 is 4.60 years.

Stock-Based Compensation Reserve

The stock-based compensation reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital. If the options expire unexercised, the amount recorded is transferred to deficit.

(Expressed in Canadian Dollars)

9. RELATED PARTY TRANSACTIONS

Included in the Loss from Operations and Comprehensive Loss for the twelve months ended October 31, 2021 and 2020, are the following amounts, which arose due to transactions with related parties:

	2021	2020
	$	$
Management fees from directors and key management	202,500	503,000

The Company had the following outstanding amounts as at October 31, 2021 and October 31, 2020 due to related parties:

	October 31, 2021	October 31, 2020
	$	$
Due to directors for management fees	-	236,652
Due to key management personnel for management fees	-	725,000
Principal	**-**	**961,652**
Debt discount reserve	-	(86,114)
Accretion interest expense	-	93,084
Total	**-**	**968,623**

On August 30, 2018, the Company and the directors and key management personnel entered into an agreement where the repayment of amounts due to these related parties were deferred until April 30, 2020. The deferral applies to accrued monthly compensation up to August 30, 2018 as well as accrued compensation going forward to April 30, 2020. The agreement further provides that re-payment of accrued salaries may be made, at the Company's discretion, in cash, by the issuance of common shares of the Company, or by any combination of cash or shares. Amounts due to directors and key management personnel are unsecured and bear no interest. The amounts due to related party were discounted at a market rate of 17% per annum to determine the fair value of the loan at the agreement date. Deferral of the repayment of amounts due to the above-noted related parties was extended to October 31, 2020. The due to related party discount of $86,114 was recorded in the debt discount reserve. The carrying value of the due to related party is measured at amortized cost and the accretion interest expense recognized during the year ended October 31, 2021 was $nil (2020: $47,904). During the twelve months ended October 31, 2021 the amounts due to related parties were settled by issuance of 12,822,009 shares of common stock of the Company.

The Company also has a loan from a related party with a carrying value as at October 31, 2021 of $37,299 (October 31, 2020: $37,299) (Note 11).

During the year ended October 31, 2020 related parties advanced $22,016, net of repayments to the Company. The balance outstanding as at October 31, 2021 is $Nil (October 31, 2020: $22,016).

During the twelve months ended October 31, 2021, the Company was charged $Nil (year ended October 31, 2020: $17,100) for development services by Inspired Networks Inc. a company owned by a former member of management. Included in accounts payable as at October 31, 2021 is $7,312 (October 31, 2020: $7,312) owing to Inspired Networks Inc.

(Expressed in Canadian Dollars)

10. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following:

	October 31, 2021	October 31, 2020
	$	$
Accounts payable	139,653	188,463
Accrued expenses	40,000	20,000
	179,653	**208,463**

11. LOAN FROM SHAREHOLDER

On June 1, 2018, the Company entered into an agreement with a shareholder for a loan of $100,000. The loan is unsecured, non-interest bearing until July 31, 2021 after which time interest of 0.5% per month is to be accrued and paid, together with the outstanding principal, at the loan maturity date of July 31, 2023. The loan was discounted at a market rate of 17% per annum to determine the fair value of the loan at the recognition date. The loan discount of $50,200 was recorded in the debt discount reserve. The carrying value of the loan is measured at amortized cost and the balance as at October 31, 2021 is $37,299 (October 31, 2020: $37,299) after repayment of $30,000 during the year ended October 31, 2019. The accretion expense recognized during the twelve months ended October 31, 2021 was $Nil.

12. CAPITAL MANAGEMENT

The Company’s objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its technologies and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company considers its capital for this purpose to be its shareholders’ equity.

The Company’s primary source of capital is through the issuance of equity. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding. The Company may require additional capital resources to meet its administrative overhead expenses in the long term. The Company believes it will be able to raise capital as required in the long term but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital. There were no changes in the Company’s approach to capital management during the year.

13. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company classifies its financial instruments into categories as follows: cash as financial assets at FVTPL, accounts receivable as financial assets at amortized cost; accounts payable, due to related parties, convertible debenture, and due to shareholder as financial liabilities at amortized cost; and derivative liability as financial liabilities at FVTPL.

The following is an analysis of the Company's financial assets and liabilities at fair value as at October 31, 2021. At October 31, 2021, only cash was measured at FVTPL.

	October 31, 2021		
	Level 1	**Level 2**	**Level 3**
	$	**$**	**$**
Cash	420,358	-	-
	420,358	**-**	**-**

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash and cash equivalents by placing these instruments with institutions of high credit worthiness. As at October 31, 2021, the Company's exposure to credit risk is the carrying value of the financial instruments. Credit risk is assessed as low.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

The Company maintained cash at October 31, 2021 in the amount of $420,358, in order to meet short-term business requirements. As at October 31, 2021, the Company had current liabilities in the amount of $192,064. Liquidity risk is assessed as high.

14. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Market risk

The significant market risks to which the Company is exposed are interest rate risk and currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at October 31, 2021, since the interest rates on the loan from shareholder is fixed, the Company has no exposure to interest rate risk.

Currency risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered into any foreign currency contracts to mitigate this risk. As at October 31, 2021, the Company has no exposure to currency risk.

15. SUBSEQUENT EVENTS

Subsequent to October 31, 2021, the Company closed its acquisition of a 21.62-per-cent interest in StyloPay Limited, a United Kingdom corporation ("StyloPay") pursuant to a share purchase agreement dated entered into on October 15, 2021. Pursuant to the agreement, the Company acquired 13.51 per cent of StyloPay from an existing shareholder of StyloPay for US $1.25-million which was satisfied through the issuance of 5,193,187 common shares of the Company valued at 30 Canadian cents (USD$0.2407cents) per consideration share.

In connection with the acquisition, the Company also issued 100,000 common shares to a third party who introduced the parties and assisted with the acquisition. The consideration shares and finder's fee shares are subject to regulatory and voluntary pooling restrictions on resale in the following aggregate amounts until the following dates: (a) 50 per cent of the consideration shares and finder's fee shares are subject to restrictions on resale until March 17, 2022; (b) an additional 15 per cent of the consideration shares and finder's fee shares are subject to restrictions on resale until May 17, 2022; (c) an additional 15 per cent of the consideration shares and finder's fee shares are subject to restrictions on resale until Aug. 17, 2022; and (d) an additional 20 per cent of the consideration shares and finder's fee shares are subject to restrictions on resale until Nov. 17, 2021. One hundred per cent of the consideration shares and finder's fee shares will also be subject to a statutory hold period of four months and one day.

In addition to the 13.51-per-cent interest in StyloPay , the Company has also subscribed directly to StyloPay for an additional 8.11-per-cent interest in StyloPay, with payment to be made in accordance with the following payment schedule:

1. $250,000 (U.S.) due upon the closing date;
2. $250,000 (U.S.) due three months from the closing date;
3. $250,000 (U.S.) due six months from the closing date.

In connection with the share purchase agreement, the Company also entered into an option agreement dated effective October 15, 2021, with StyloPay and the shareholders of StyloPay. Pursuant to the option agreement, the optionors granted the Company an option to increase its shareholdings from 21.62 per cent up to 51 per cent. The value of any additional StyloPay shares purchased from the optionors will be based on (a) subsequent financings of StyloPay; (b) a mutually agreed valuation of StyloPay; or (c) a valuation of StyloPay by a third-party valuator. The consideration payable for the exercise of the option shall be 62.5 per cent in common shares of the Company and 37.5 per cent in cash. Any common shares of the Company issued in connection with the option exercise will be subject to a one-year pooling arrangement whereby 50 per cent of the shares will be released immediately, with an additional 15 per cent released after three, six and nine months, and the remaining 20 per cent released one year after the issuance, as well as a statutory hold period of four months and one day.