DIMENSION FIVE TECHNOLOGIES INC

Condensed Interim Financial Statements

Nine months Ended February 28, 2019

(Unaudited - Expressed in Canadian Dollars)

Notice of No Auditor Review

The accompanying unaudited condensed interim financial statements of Dimension Five Technologies Inc. for the nine months ended February 28, 2019, have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company’s external auditors.

Dimension Five Technologies Inc.
Condensed Interim Statements of Financial Position
Expressed in Canadian Dollars

		February 28, 2019 (unaudited)		May 31, 2018
Assets				
Current				
Cash	$	**117,664**	$	302,094
Guaranteed investment certificate (Note 4)		**278,750**		-
GST receivable		**684**		468
Prepaid expenses		**199**		2,000
		397,297		304,562
Non–current				
Intangible assets (Notes 5 and 9)		**320,306**		-
	$	**717,603**	$	304,562
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 6)	$	**18,637**	$	2,600
Unearned revenue (Note 7)		**29,694**		-
		48,331		2,600
Equity				
Share capital (Notes 8 and 9)		**838,828**		1
Shares to be issued		**-**		320,300
Reserves		**15,000**		-
Deficit		**(184,556)**		(18,339)
		669,272		301,962
	$	**717,603**	$	304,562

Nature of operations and continuance of operations (Note 1)
Subsequent event (Note 13)

On behalf of the Board:

"Chris Parr", Director

"David Hodge", Director

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

Dimension Five Technologies Inc.

Condensed Interim Statements of Loss and Comprehensive Loss

Expressed in Canadian Dollars

(Unaudited – prepared by management)

	Three months ended February 28, 2019	Nine months ended February 28, 2019	Period from incorporation on January 10, 2018 to February 28, 2018
Revenue			
License fees (Notes 3 and 9)	$ 30,000	$ 80,000	$ -
Software development fees (Note 9)	20,306	20,306	-
	50,306	100,306	-
Expenses			
App maintenance (Note 9)	35,926	91,984	-
General and administrative (Note 10)	60,061	174,740	7,634
	95,987	266,724	7,634
Loss before other item	45,681	166,418	7,634
Other item			
Interest and other income	201	201	-
Loss and comprehensive loss for the period	$ 45,480	$ 166,217	$ 7,634
Basic and diluted loss per share	$ (0.00)	$ (0.01)	$ (7,634.00)
Weighted average number of common shares outstanding	23,078,001	20,417,741	1

Dimension Five Technologies Inc.
Condensed Interim Statement of Changes in Equity
For the nine months ended February 28, 2019 and the period from incorporation to February 28, 2018
Expressed in Canadian Dollars
(Unaudited – prepared by management)

	Share Capital					
	Number of Shares	Amount	Shares to be issued	Reserves	Deficit	Total Equity
Balance, January 10, 2018 (date of incorporation)	-	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Shares issued upon incorporation (Notes 8 and 9)	1	1	-	-	-	1
Shares to be issued	-	-	20,000	-	-	20,000
Net loss for the period	-	-	-	-	(7,634)	(7,634)
Balance, February 28, 2018	**1**	**$ 1**	**$ -**	**$ -**	**$ (7,634)**	**$ 12,367**

	Share Capital					
	Number of Shares	Amount	Shares to be issued	Reserves	Deficit	Total Equity
Balance, May 31, 2018	**1**	**$ 1**	**$ 320,300**	**$ -**	**$ (18,339)**	**$ 301,962**
Shares issued for cash (Notes 8 and 9)	13,078,000	545,900	(320,300)	-	-	225,600
Shares issued as consideration for purchase of intangible assets (Notes 8 and 9)	10,000,000	300,000	-	-	-	300,000
Finder's fees (Notes 8 and 9)	-	(7,073)	-	-	-	(7,073)
Share-based compensation (Note 8)	-	-	-	15,000	-	15,000
Net loss for the period	-	-	-	-	(166,217)	(166,217)
Balance, February 28, 2019	**23,078,001**	**$ 838,828**	**$ -**	**$ 15,000**	**$ (184,556)**	**$ 669,272**

Dimension Five Technologies Inc.
Condensed Interim Statement of Cash Flows
Expressed in Canadian Dollars
(Unaudited – prepared by management)

		Nine months ended February 28, 2019		Period from incorporation on January 10, 2018 to February 28, 2018
Operating Activities				
Net loss for the period	**$**	**(166,217)**	$	(7,634)
Items not affecting cash:				
Share-based compensation		**15,000**		-
Changes in non-cash working capital:				
GST receivable		**(216)**		(281)
Prepaid expenses		**1,801**		-
Accounts payable and accrued liabilities		**16,037**		728
Unearned revenue		**29,694**		-
Due to related party		**-**		930
Cash used in operating activities		**(103,901)**		(6,257)
Investing Activities				
Purchase of guaranteed investment certificate		**(278,750)**		-
Software development costs		**(20,306)**		-
Cash used in investing activities		**(299,056)**		-
Financing Activities				
Proceeds from share issuance		**225,600**		-
Share issue costs		**(7,073)**		-
Proceeds from shares to be issued		**-**		20,000
Cash provided by financing activities		**218,527**		20,000
Change in cash during the period		**(184,430)**		13,743
Cash, beginning of period		**302,094**		-
Cash, end of period	**$**	**117,664**	$	13,743

Supplementary Information				
Shares issued as consideration for purchase of intangible assets		**300,000**		-

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

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Dimension Five Technologies Inc. (the "Company") was incorporated in the Province of British Columbia on January 10, 2018, under the Business Corporations Act of British Columbia. The Company's primary business is the development and monetization of its online and mobile Zimtu Advantage software application ("the App").

The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at 885 West Georgia Street, Suite 900, Vancouver, BC, Canada V6C 3H1.

These financial statements have been prepared on a going concern basis, assuming that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has a deficit of $184,556 since inception and negative operating cash flows. The continuing operations of the Company are dependent upon generating profitable operations and obtaining funding, as required, to meet the Company's operating commitments as they come due. These conditions indicate the existence of material uncertainty which casts significant doubt about the Company's ability to continue as a going concern.

These condensed interim financial statements were authorized for issue by the Audit Committee and Board of Directors on April 4, 2019.

2. BASIS OF PREPARATION

a) Statement of Compliance

These condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Statements, issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, these condensed interim financial statements do not include all of the information and footnotes required by International Financial Reporting Standards ("IFRS") for complete financial statements for year-end reporting purposes. These condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the period ended May 31, 2018, which include the Company's significant accounting policies, and have been prepared in accordance with the same methods of application.

b) Basis of Measurement

These condensed interim financial statements have been prepared on a historical costs basis except for financial instruments classified at fair value (see Note 3). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and related disclosure during the reporting period. Judgement is used mainly in determining how a balance or transaction should be recognized in the financial statements. Estimates and assumptions are used mainly in determining the measurement of recognized transactions and balances. Actual results may differ from these estimates. 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant areas requiring the use of management estimates and assumptions include:

- The determination of the fair value of common shares issued as consideration for the purchase of the App.
- The determination that the Company will continue as a going concern for the next year.

Intangible assets

Intangible assets consist of the App's mobile application front end, back end, website, and platform developed in-house or acquired externally. See Note 5.

Intangible assets acquired separately are initially recognized at cost.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditures incurred from the date that the Company can demonstrate all of the following: i) the technical feasibility of completing the intangible assets so that it will be available for use or sale; ii) its intention to complete the intangible asset and use or sell it; iii) its ability to use or sell the intangible asset; iv) how the intangible asset will generate probable future economic benefits; v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and vi) its ability to measure reliably the expenditure attributable to the intangible asset during its development. Until these criteria are met, expenditures are expensed as incurred.

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses if any.

The accounting for an intangible asset is based on its useful life. Intangible assets with a finite useful life are amortized over their estimated useful life. Intangible assets with an indefinite useful life are not amortized. Intangible assets under development which are not ready for use are not amortized. The amortization method, estimated useful life, carrying value and residual value are reviewed each financial year-end or more frequently if required, and are adjusted as appropriate.

The App was assessed as having an indefinite useful life based on management's consideration of the following factors:

- With further development and marketing management expects the App to generate revenues from advertising, marketing small capitalization public companies, licensing fees and, potentially, user subscription fees;
- Comparison of the App to other popular online sites;
- Continuous maintenance and development of the App by incorporating new technologies;
- The stability of, and continued investment in companies in, the App's target niche;
- Expected competitive advantage over other existing and potential larger competitors;
- The level of expenditures expected to be required to generate revenues from the App; and
- The Company owns and controls the App.

Foreign currency transactions

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company is the Canadian dollar.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities that are measured at historical costs are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statements of loss and comprehensive loss.

Financial instruments

Financial Assets

IFRS 9 *Financial Instruments* (“IFRS 9”) requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income. Measurement and classification of financial assets is dependent on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

IFRS 9 provides a three-stage expected credit loss model for calculating impairment for financial assets. Expected credit losses are required to be recognized when financial instruments are initially recognized and the amount of expected credit losses recognized are required to be updated at each reporting date to reflect changes in the credit risk of the financial instruments.

Financial Liabilities

On initial recognition, IFRS 9 requires financial liabilities to be classified as subsequently measured at amortized cost except for when one of the specified exceptions applies. In cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity’s own credit risk is recorded in other comprehensive income rather than the statement of loss, unless this creates an accounting mismatch.

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents / Guaranteed investment certificate

Cash and cash equivalents include cash on hand and demand deposits and investments with maturities from the date of acquisition of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant changes in value. Cash is classified as subsequently measured at amortized cost. Cash equivalents are classified as subsequently measured at amortized cost, except for money market investments, which are classified as subsequently measured at fair value through profit or loss. Guaranteed investment certificate is measured at amortized cost.

Trade receivables

Trade receivables relate to amounts received from sales under licensing agreements for use of the App. These receivables are non-interest bearing and are recognized at face amount, except when fair value is materially different, and are subsequently measured at amortized cost. Trade receivables recorded are net of lifetime expected credit losses.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Trade payables

Trade payables are non-interest bearing if paid when due and are recognized at face amount, except when fair value is materially different. Trade payables are subsequently measured at amortized cost.

Expected credit losses

For trade receivables, the Company applies the simplified approach to determining expected credit losses, which requires expected lifetime losses to be recognised upon initial recognition of the receivables.

Revenue recognition

IFRS 15 *Revenue from Contracts with Customers* provides a five-step model for the recognition of revenue when control of goods is transferred to, or a service is performed for, the customer. The five steps are to identify the contract(s) with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to each performance obligation and recognize revenue as each performance obligation is satisfied.

The Company's revenue consists of licensing fees earned from the use of its App and software development fees earned from developing the App. The licensee obtains control over the use of the App when access to the App is granted. License fees are payable monthly in advance on the first day of each month and revenue is recognized at month end. The Company remains the sole and exclusive owner of the software development.

Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to ten years, which vest immediately and are priced at the previous day's closing price.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option is modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the common shares are issued.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position 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 differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences 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 on an undiscounted basis, using tax rates enacted or substantively enacted at the statement 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.

Earnings/Loss per share

Basic earnings/loss per share is computed by dividing the net income or loss attributable to the owners of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per share is determined by adjusting the earnings or loss attributable to the owners of the Company and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

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.

Future Accounting Pronouncements

There are currently no amendments and/or revisions to existing IFRS standards or new standards effective for periods beginning after January 1, 2018 that are expected to be applicable to the Company.

Expressed in Canadian Dollars

4. GUARANTEED INVESTMENT CERTIFICATES

As at February 28, 2019 the Company had two variable rate guaranteed investment certificates ("GIC") totalling $278,750 (May 31, 2018: $nil). Of the total, $250,000 matures on January 17, 2020 with an interest rate of prime minus 2.7%. The GIC of $250,000 may be redeemed after February 17, 2019 without penalties and with interest. The remaining GIC of $28,750 matures on August 23, 2019 and has an interest rate of prime minus 2.6%. The GIC of $28,750 is held as security by the bank for the credit cards with credit limits totalling $25,000. The GIC's have been classified as current assets as the Company may redeem the GIC of $250,000 after February 17, 2019 and the GIC of $28,750 may be redeemed on August 23, 2019 if the credit cards are cancelled.

5. INTANGIBLE ASSETS

On July 1, 2018, the Company purchased the Zimtu Advantage software application (the "App") including the source code, website and other intellectual property rights from Zimtu Capital Corp. ("Zimtu") by issuing 10,000,000 common shares valued at $0.03 per share for total consideration of $300,000. Pursuant to the App Purchase Agreement, in the event that the Company chooses to sell the App, Zimtu will have a right of first offer to negotiate mutually acceptable terms for the purchase of the App.

During the nine months ended February 28, 2019 the Company paid $20,306 to an unrelated party for software development work related to the App.

	Total **$**
Balance May 31, 2018	-
Additions	320,306
February 28, 2019	320,306

The App was assessed as having an indefinite useful life. See Notes 3, 7 and 8.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consists of the following:

	February 28, 2019 **$**	**May 31, 2018** **$**
Accounts payable	5,733	-
Accrued liabilities	12,904	2,600
	18,637	2,600

7. UNEARNED REVENUE

The Company entered into an agreement with Zimtu Capital Corp. (a related party) to provide software development and marketing services. See Note 9. The development and marketing services related to this agreement are billed in advance and recorded as revenue as the services are provided. Amounts received for services to be provided in the future are reported as unearned revenue.

	February 28, 2019 **$**	**May 31, 2018** **$**
Unearned revenue	29,694	-

8. SHARE CAPITAL

Shares:

Authorized:
i. Unlimited common shares without par value
ii. Unlimited preferred shares without par value

Issued and outstanding:

As of February 28, 2019, the issued and outstanding common shares of the company consisted of 23,078,001 common shares and nil preferred shares (May 31, 2018: 1 common share and nil preferred shares).

Changes in share capital during the period:

On June 15, 2018, the Company issued 3,600,000 common shares at $0.02 per share to certain Directors and Officers of the Company for proceeds of $72,000.

On July 1, 2018, the Company issued 10,000,000 common shares at $0.03 per share as consideration of payment for the purchase of the App as described in note 5. See Note 8.

On July 6, 2018, the Company completed a non-brokered financing totalling $368,850 whereby it issued a total of 7,377,000 common shares at $0.05 per share. In association with this transaction, the Company paid $7,073 in finder's fees. The finder's fees were accounted for as a share issuance cost.

On July 27, 2018, the Company completed a non-brokered financing totalling $105,050 whereby it issued a total of 2,101,000 common shares at $0.05 per share.

Stock Options:

On September 6, 2018, the Company adopted an Incentive Stock Option Plan under which it is authorized to grant options to directors, officers, consultants or employees of the Company. The terms of the granted stock options as well as the vesting conditions are at the sole discretion of the directors.

During the nine months ended February 28, 2019, the Company granted stock options as follows:

On September 6, 2018, the Company entered into stock option agreements with two directors. Pursuant to the agreements:

- Each director was granted 200,000 share purchase options, at an exercise price of $0.05 per option, with an expiry date of September 6, 2023; and
- Share purchase options vest immediately upon issuance.

A continuity schedule of the incentive stock options is as follows:

Expressed in Canadian Dollars

8. SHARE CAPITAL (continued)

	Number of options	**Weighted average exercise price $**
May 31, 2018	-	-
Granted	400,000	0.05
Exercised	-	-
Cancelled	-	-
February 28, 2019	400,000	0.05
Weighted average life (years)	4.48	

As at February 28, 2019, the Company had the following stock options outstanding and exercisable:

Expiry Date	Exercise Price	Number of options
September 6, 2023	$0.05	400,000

The fair value of options granted during the period was estimated on the date of grant using the Black-Scholes option pricing model assuming no expected dividends and the following assumptions:

Expected stock price volatility	100%
Annual risk free interest rate	1.94%
Expected life of options	5 years
Expected forfeiture	0%

The weighted average fair value of options granted was $0.038 per option. During the nine months ended February 28, 2019, the Company recognized share-based payments of $15,000 for options granted to directors in connection with their duties.

9. RELATED PARTY TRANSACTIONS

During the nine months ended February 28, 2019 compensation of related parties was as follows:

Key management and related party compensation	**Nine months ended February 28, 2019 $**	Period from incorporation on January 10, 2018 to February 28, 2018 $
Remuneration and fees*	22,748	-
Salaries and benefits	30,000	-
Share-based payments	15,000	-
	67,748	-

* The remuneration and fees were allocated to professional fees of $18,000 and share issuance costs of $4,748.

9. RELATED PARTY TRANSACTIONS (continued)

During the nine months ended February 28, 2019, the Company incurred professional fees of $18,000 (May 31, 2018: $nil) to a company controlled by the CFO of the Company. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

Salaries and benefits consist of wages paid to the Company's CEO.

During the nine months ended February 28, 2019, the Company incurred finder's fees of $4,748 to Zimtu, where a Director of the Company is the CEO. In addition, Zimtu paid certain App maintenance fees totalling $2,839 (May 31, 2018: $nil) on behalf of the Company.

During the nine months ended February 28, 2019, the Company incurred share-based compensation of $15,000 to directors of the Company.

On June 15, 2018, the Company issued 3,600,000 common shares at $0.02 per share to certain directors and officers of the Company for proceeds of $72,000.

On July 1, 2018, the Company purchased the App including the source code, website and other intellectual property rights from Zimtu for 10,000,000 common shares valued at $0.03 per share for total consideration of $300,000. Of this amount, 4,300,000 common shares were issued to officers of the Company and 4,000,000 common shares were issued to Zimtu.

On July 1, 2018, the Company entered into a License Agreement with Zimtu, whereby the Company has granted a non-exclusive, non-transferable, non-sublicensable and revocable app user license to Zimtu for a fee of $10,000 per month. The current agreement is for a term of 18 months and may be renewed for an additional 18 months if mutually agreed upon. The agreement may be terminated by Zimtu by providing 30 days' notice to the Company. Pursuant to the License Agreement, Zimtu has agreed to fund the Company's development and marketing costs for the App up to a maximum of $100,000. On November 1, 2018 Zimtu agreed that the minimum term of the license will be to October 31, 2019 and that 30 days' notice of termination would not be provided prior to October 1, 2019.

On September 11, 2018, the Company entered into an App Further Development Agreement (the "AFDA") with Zimtu whereby Zimtu has agreed to pay the Company a fee of $100,000, in accordance with a to be agreed upon payment schedule, to improve and further develop the App for its use. Pursuant to the AFDA:

- The development services include improving functionality and data accuracy, rebranding the website and its landing page, providing marketing services and a program including email marketing, search engine marketing and optimization, online advertising and trade shows, and providing documentation for the improvements (collectively, the "deliverables");
- The Company remains the sole and exclusive owner of the deliverables;
- Upon payment of the fee, Zimtu will be granted a license to execute, perform, display and operate the App and to use and copy the documentation as required to operate the App;
- Upon acceptance of the deliverables by Zimtu, the Company will provide a limited 60-day warranty to cover any programming errors in the deliverables; and
- Expiry occurs on completion of the work which is expected to take up to one year.

On January 2, 2019 the Company received a payment of $50,000 from Zimtu related to the agreement. Work has commenced on the project and of the $50,000 the Company has reported development revenue of $20,306 and $29,694 of unearned income to February 28, 2019.

Expressed in Canadian Dollars

10. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses consist of the following:

	Three months ended February 28, 2019 $	**Nine months ended February 28, 2019 $**	Period from incorporation on January 10, 2018 to February 28, 2018 $
Advertising and promotion	**1,146**	**1,192**	936
Filing fees and transfer agent expenses	**14,500**	**21,332**	-
Office and general	**864**	**2,866**	1,341
Professional services	**23,485**	**102,215**	5,357
Salaries and benefits	**20,066**	**32,135**	-
Share-based compensation (Notes 8 and 9)	**-**	**15,000**	-
	60,061	**174,740**	7,634

11. FAIR VALUE MEASUREMENT

There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

Level 1 – Quoted Prices in Active Markets for Identical Assets
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Cash equivalents and guaranteed investment certificate are valued using quoted market prices in active markets. Accordingly, these items are included in Level 1 of the fair value hierarchy.

Level 2 – Significant Other Observable Inputs
Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Significant Unobservable Inputs
Unobservable (supported by little or no market activity) prices.

12. CAPITAL MANAGEMENT

The Company's capital currently consists of shareholders' equity and working capital. The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern, meet financial obligations, have sufficient capital to achieve and maintain profitable operations and to provide returns for shareholders and benefits for other stakeholders. As at February 28, 2019, the Company had working capital of $414,751.

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk

12. CAPITAL MANAGEMENT (continued)

- Liquidity Risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General Objectives, Policies, and Processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, while retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of four types of risk: foreign currency risk, interest rate risk, commodity price risk and equity price risk.

Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and United States dollar or other foreign currencies will affect the Company's operations and financial results. 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.

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 contractual obligations. Financial instruments which are potentially subject to credit risk consist primarily of cash and the GIC. Cash and the GIC are maintained with a financial institution of reputable credit and may be redeemed upon demand. The Company considers this risk to be minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meets its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's objective is to ensure that it has sufficient cash on demand to meet expected operational expenses. To achieve this objective, the Company will prepare annual capital expenditure budgets which will be regularly monitored and updated as necessary.

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12. CAPITAL MANAGEMENT (continued)

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable.

13. SUBSEQUENT EVENTS

Effective March 1, 2019 the Company entered into a Management Services Agreement with Zimtu; the agreement has a commencement date of March 1, 2019 and a termination date of November 30, 2019. The agreement is renewable at the end of the term. Pursuant to the agreement Zimtu will provide the Company with office space, office equipment, as well as administrative and management services for a monthly fee of $5,500. The agreement may be terminated by either party with one months' notice.

On March 12, 2019 the Company launched the beta version of its software application under a new brand named Investorbase. The Company completed a full re-development of the website's interface and re-engineered the new platform from the ground up using some of the latest web development technologies to provide a better user experience and increase the depth of information on the platform. Investorbase is a research platform for retail investors that helps connect investors with companies. Some of the platforms features include:

- Search for categories, keywords, news, company names, and tickers
- Select the news you are interested in to customize your news feed
- Create alerts based on various performance factors
- Easily track your investments