Plank Ventures Ltd.

Consolidated Financial Statements

(Expressed in Canadian Dollars)

For years ended July 31, 2024 and 2023

Index:

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Plank Ventures Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Plank Ventures Ltd. (the "Company"), which comprise the consolidated statements of financial position as at July 31, 2024 and 2023, and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that as at July 31, 2024, the Company has an accumulated deficit of $9,617,059, cash balance of $2,625,398 to settle current liabilities of $9,697,627, and that the continuing operations of the Company are dependent upon its ability to develop profitable operations in the future, increasing the value of its investments and raising adequate financing when necessary. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year ended. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

<u>Valuation of Investments</u>

As described in Note 8 to the consolidated financial statements, the carrying amount of the Company's investments was $6,911,096 as of July 31, 2024. As more fully described in Note 2 and 18 to the consolidated financial statements, the Company's investments include equity instruments and interests in certain funds that were not actively traded and/or did not have significant observable inputs that could be used to determine the fair value of these assets.

The principal considerations for our determination that performing procedures relating to the valuation of certain investments is a key audit matter are (i) the significant judgment used by management when assessing the fair value measurement alternatives available and in developing the fair value estimates (ii) high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating management's assessment of the fair value measurement alternatives and assumptions such as marketability discount, volatility, scenario analysis, time to liquidity event, control discount and (iii) the audit effort that involved the use of professionals with specialized skills and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures include, among others:

- Utilizing our internal valuation expert to assess appropriateness of the valuation methodologies and certain key assumptions and estimates included in management's valuation.
- Assessing the competence and capabilities of management's expert.
- Reading purchase agreements, examining supporting documentation and assessing the completeness, accuracy and reasonableness of the assumptions used by management in determining the fair value of the private company investments.
- Obtaining confirmations of the investments held.

Impairment of Intangible Assets and Goodwill

As described in Note 7 to the consolidated financial statements, the carrying amount of the Company's intangible assets, which includes goodwill, was $3,539,556 as of July 31, 2024. As more fully described in Notes 2 and 3 to the consolidated financial statements, management uses estimates and assumptions in determining the recoverable amount of intangible assets and goodwill for purposes of impairment testing. The Company completed an impairment test for its intangible assets and goodwill at year end at the cash generating unit ("CGU") level, and recognized $273,997 of impairment to goodwill during the year.

The impairment analysis of the intangible assets and goodwill used in the determination of the recoverable amount at the CGU level identified that the recoverable amount was higher than the carrying value. The recoverable amount is the value in use and requires significant management judgement and estimation uncertainty of key inputs such as anticipated future cash flows and discount rates.

The principal considerations for our determination that impairment of the Company's intangible assets and goodwill is a key audit matter are the significant management judgements that are subject to estimation uncertainty which could have a material effect on the outcome of the impairment test. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence in connection with the estimates and judgements made by management in the determination of the recoverable amount of the intangible assets and goodwill.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures include, among others:

- Obtaining an understanding of the key controls over management's process in assessing impairment indicators and determining the recoverable amount of the CGU related to intangible assets and goodwill.
- Utilizing our internal valuation expert to assess appropriateness of the model and certain key assumptions used and estimates included in management's impairment test.
- Assessing the competence and capabilities of management's expert.
- Evaluating the assumptions used in the testing for consistency with the Company's historical performance and management's expectations.
- Performing sensitivity analysis on key inputs and assumptions.

Completeness and Accuracy of Revenue

As described in Note 19 to the consolidated financial statements, the Company recognized revenue of $5,196,002 for the year ended July 31, 2024. As more fully described in Note 2 and 3 to the consolidated financial statements, the Company recognized revenue from the development, administration, and hosting of contests and sweepstakes on social media platforms. Revenue from contracts with customers is recognized according to the five-step process: when a contractual arrangement is in place, each performance obligation is identified, the fee is determined and allocated to each performance obligation, and the services have been provided to the customer.

The principal considerations for our determination that the recognition of revenues is a key audit matter are the volume of low value transactions and the significant value of total revenue recognized. This in turn lead to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence for revenues recognized.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Obtaining an understanding of the key controls associated with the Company’s material revenue cycles.
- Evaluating the appropriateness of management’s assessment of revenue recognition criteria based on the Company’s operations.
- Performing substantive testing procedures over a sample of revenue entries to contracts, invoices, and cash receipts to ensure completeness, occurrence, accuracy and appropriate cut-off of revenue recognized.
- Assessing if the Company’s revenue recognition accounting policy is in accordance with applicable accounting standards.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management’s Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management’s Discussion and Analysis prior to the date of this auditor’s report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year ended and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Carmen Newnham.

Davidson & Company LLP

Vancouver, Canada | Chartered Professional Accountants

November 26, 2024

PLANK VENTURES LTD.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	Notes		July 31, 2024		July 31, 2023
ASSETS					
Current Assets					
Cash and restricted cash	4	$	2,625,398	$	2,085,652
Accounts and other receivables	5		1,177,279		1,622,036
Loans receivable	6		282,379		158,406
Prepaid expenses			91,809		31,787
			4,176,865		3,897,881
Non-Current Assets					
Equipment			8,536		5,951
Intangible assets	7		3,539,556		3,999,697
Investments	8		6,911,096		6,265,158
TOTAL ASSETS		$	14,636,053	$	14,168,687
LIABILITIES					
Current Liabilities					
Accounts payable and accrued liabilities	9,13	$	2,594,553	$	2,532,130
Current portion of term loans payable	10, 11		6,475,002		5,246,320
Deferred revenue	14		628,072		572,114
			9,697,627		8,350,564
Non-Current Liabilities					
Term loans payable	10		45,227		53,471
Long-term note payable	15		191,264		346,691
Deferred tax liability			422,947		403,819
TOTAL LIABILITIES			10,357,065		9,154,545
SHAREHOLDERS' EQUITY					
Share capital	12		3,951,162		3,951,162
Contributed surplus			6,543,083		6,543,083
Share based payment reserves	12		264,648		209,952
Equity portion of debt	11		1,412,732		989,269
Accumulated other comprehensive loss			110,783		(16,809)
Accumulated deficit			(9,617,059)		(8,327,538)
Equity attributable to shareholders of the Company			2,665,349		3,349,119
Non-controlling interest	16		1,613,639		1,665,023
TOTAL SHAREHOLDERS' EQUITY			4,278,988		5,014,142
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$	14,636,053	$	14,168,687
Nature of operations and going concern uncertainty	1				
Subsequent events	21				

Approved on behalf of the board on Nov 26, 2024

"Brian O'Neill"
Brian O'Neill, Director

"Laurie Baggio"
Laurie Baggio, Director

See accompanying notes to the consolidated financial statements.

PLANK VENTURES LTD.

CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)

(Expressed in Canadian Dollars)

	Notes		Year ended July 31, 2024		2023
REVENUE					
Sales revenue	19	$	5,196,002	$	5,383,192
COST OF REVENUE					
Hosting charges and other			627,015		524,596
Gross Profit			**4,568,987**		**4,858,596**
EXPENSES					
Amortization	7		368,533		376,231
Management and consulting fees	13		336,000		336,000
Personnel			3,169,355		2,826,613
Professional fees	13		495,135		490,717
Office and administration	13		900,363		784,915
Share-based payments	12,13		54,696		135,837
Foreign exchange			(8,898)		19,821
			5,315,184		4,970,134
Interest expense	10,11,13,15		1,062,094		898,395
Interest income	6		(120,094)		(51,303)
Impairment of goodwill	7		273,997		-
Dividend income	8		-		(8,377)
Loss on equity investment	8		133,906		109,915
Loss on debt extinguishment			-		27,530
Fair value gain on investments	8		(779,844)		(1,933,872)
			570,059		(957,712)
Net income (loss) for the year before tax			(1,316,256)		846,174
Deferred income tax recovery			-		6,218
Net income (loss) for the year		**$**	**(1,316,256)**	**$**	**852,392**
Net income (loss) attributable to:					
Shareholders of the parent company		$	(1,289,521)	$	469,289
Non-controlling interest	16		(26,735)		383,103
		$	**(1,316,256)**	**$**	**852,392**
Other comprehensive income (loss):					
Foreign currency translation gain (loss) attributed to equity shareholders of the parent company		$	127,592	$	76,392
Foreign currency translation loss attributed to NCI	16		(24,649)		(38,725)
Comprehensive income (loss) for the year		**$**	**(1,213,313)**	**$**	**890,059**
Loss per share					
Basic		**$**	**(0.07)**	**$**	**0.03**
Diluted		**$**	**(0.07)**	**$**	**0.03**
Weighted average number of common shares outstanding					
Basic			**17,740,019**		**17,740,019**
Diluted			**17,740,019**		**17,740,019**

See accompanying notes to the consolidated financial statements.

PLANK VENTURES LTD.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian dollars)

		Share capital								
	Note	Number of shares	Amount	Contributed surplus	Share based payment reserves	Equity portion of debt	Accumulated other comprehensive income (loss)	Accumulated deficit	Non-controlling interest	Total
Balance at July 31, 2022		**17,740,019**	**$3,951,162**	**$ 6,543,083**	**$ 74,115**	**$ 686,607**	**$ (93,201)**	**$ (8,796,827)**	**$ 1,320,645**	**$ 3,685,584**
Share-based payments	12	-	-	-	135,837	-	-	-	-	135,837
Equity portion of debt	11	-	-	-	-	302,662	-	-	-	302,662
Foreign currency translation	16	-	-	-	-	-	76,392	-	(38,725)	37,667
Net Income (loss) for the year	16	-	-	-	-	-	-	469,289	383,103	852,392
Balance at July 31, 2023		**17,740,019**	**$3,951,162**	**$ 6,543,083**	**$209,952**	**$ 989,269**	**$ (16,809)**	**$ (8,327,538)**	**$ 1,665,023**	**$ 5,014,142**
Share-based payments	12	-	-	-	54,696	-	-	-	-	54,696
Equity portion of debt	11	-	-	-	-	423,463	-	-	-	423,463
Foreign currency translation	16	-	-	-	-	-	127,592	-	(24,649)	102,943
Net loss for the year	16	-	-	-	-	-	-	(1,289,521)	(26,735)	(1,316,256)
Balance at July 31, 2024		**17,740,019**	**$3,951,162**	**$ 6,543,083**	**$264,648**	**$ 1,412,732**	**$ 110,783**	**$ (9,617,059)**	**$ 1,613,639**	**$ 4,278,988**

See accompanying notes to the consolidated financial statements.

PLANK VENTURES LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Note	Years ended July 31, 2024	2023
OPERATING ACTIVITIES			
Net income (loss) for the year		$ (1,316,256)	$ 852,392
Items not affecting cash			
Amortization		368,533	376,231
Interest expense		1,062,094	895,320
Unrealized foreign exchange		(53,809)	54,108
Deferred income tax expense (recovery)		-	(6,218)
Share-based payments		54,696	135,837
Goodwill impairment		273,997	
Loss on debt extinguishment		-	27,530
Fair value gain on investments		(779,844)	(1,933,872)
Loss on equity investment		133,906	109,915
Accrued interest income		(43,173)	(16,245)
Net changes in non-cash working capital			
Accounts receivable		521,494	(451,038)
Restricted cash		(18,594)	341,374
Prepaid expenses		(55,557)	54,921
Deferred revenue		28,518	(27,810)
Accounts payable and accrued liabilities		(46,445)	(543,356)
Net cash provided by (used in) operating activities		129,560	(130,910)
INVESTING ACTIVITIES			
Acquisition of equipment		(3,062)	(4,922)
Cash investments made		-	(675,000)
Loans advanced		(80,800)	(210,000)
Net cash used in investing activities		(83,862)	(889,922)
FINANCING ACTIVITIES			
Proceeds from related party loans		625,685	1,350,000
Loan repayments		(247,527)	(10,543)
Lease payments		-	(12,603)
Repayment of promissory note		-	(546,846)
Net cash provided by financing activities		378,158	780,009
NET CHANGE IN CASH		423,856	(240,824)
FOREIGN EXCHANGE TRANSLATION		97,296	-
CASH, BEGINNING OF THE YEAR		1,254,295	1,495,119
CASH, END OF THE YEAR	4	$ 1,775,447	$ 1,254,295

For the years ended July 31, 2024 and 2023 there were no non-cash investing and financing activities that are not disclosed elsewhere in the consolidated financial statements.

See accompanying notes to the consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY

Plank Ventures Ltd. ("Plank" or the "Company") was incorporated on May 1, 2013, under the Business Corporations Act. The Company's registered and records office is located at 750 West Pender Street, Suite 401, Vancouver, BC, V6C 2T7. Plank is a public company whose shares are listed on the Canadian Securities Exchange ("CSE") under the symbol "PLNK". The Company invests in business opportunities in the technology area and SaaS businesses with a focus on marketing via social media and promotion. The target investments are early-stage start-ups that already have developed a customer and revenue base and are seeking funding for expansion.

These consolidated financial statements have been prepared using the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. As at July 31, 2024, the Company had an accumulated deficit of $9,617,059

The continuing operations of the Company are dependent upon its ability to develop profitable operations in the future, increasing the value of its investments, and raising adequate financing when necessary. As of July 31, 2024, the Company had a cash balance of $2,625,398 to settle current liabilities of $9,697,627. Management is of the opinion that the Company has access to available financial capital resources to either raise additional capital or renegotiate maturity of its liabilities to sustain its operations for the foreseeable future and that the going concern assumption is appropriate.

There can be no assurance that the Company will be successful in achieving profitability or maintaining a necessary cash balance to finance operations. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the recoverability of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments may be material.

There are many external factors that can adversely affect general workforces, economies, and financial markets globally such as global health conditions and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of the adverse results of these factors and the effects on the Company's business or ability to raise funds.

2. BASIS OF PRESENTATION

These consolidated financial statements were authorized for issue on November 26, 2024 by the Board of Directors of the Company.

Statement of Compliance
These consolidated financial statements have been prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Presentation Currency

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of Plank Ventures Ltd.

Basis of Measurement
These consolidated financial statements have been prepared on a historical cost basis except for

2. BASIS OF PRESENTATION (CONT'D)

financial instruments classified as fair value through profit or loss, which are stated at fair values. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Use of Estimates and Judgments

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards 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. Actual results could differ from those estimates.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

<u>Level of control or influence over companies</u>

The accounting for investments in other companies can vary depending on the degree of control and influence over those other companies. Management is required to assess at each reporting date the Company's control and influence over these other companies. Management has used its judgment to determine which companies are controlled and require consolidation and those which are significantly influenced and require equity accounting.

<u>Intangible assets and goodwill</u>

Management has determined that capitalized intangible asset costs may have future economic benefits and may be economically recoverable. Management uses estimates in determining the recoverable amount of intangible assets and goodwill. Intangible assets are assessed for impairment indicators at each reporting date and goodwill is tested for impairment annually. The determination of the recoverable amount for the purposes of impairment testing requires the use of estimates, such as anticipated future cash flows and discount rates.

The amortization expense related to intangible assets is determined using estimates relating to the useful lives of the intangible assets.

<u>Valuation techniques of certain investments (Level 3)</u>

The fair value of investments is measured using a market approach. The determination of the fair value requires significant judgement by the Company and includes the use of market multiples of comparable companies and other valuation techniques.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. The Company uses an independent valuation expert to assess non-public investment values as the basis for any adjustment to the carrying value and to assess goodwill for impairment. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

<u>Revenue recognition</u>

Revenue from contracts with customers is recognized according to the five-step process: when a contractual arrangement is in place, each performance obligation is identified, the fee is determined and allocated to each performance obligation, and the services have been provided to the customer. The Company derives revenue from the development, administration, and hosting of contests and sweepstakes on social media platforms.

The Group's principal sources of revenue and recognition of these revenues are set out in Note 3.

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

2. BASIS OF PRESENTATION (CONT'D)

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Principles of Consolidation
These consolidated financial statements include the accounts of the Company and its controlled subsidiaries. Details of controlled subsidiaries are as follows:

	Country of incorporation	July 31, 2024	July 31, 2023
Exahash Cryptomining Corp. ("Exahash")	Canada	100%	100%
Votigo, Inc. ("Votigo")	USA	40.62%	40.62%

* Percentage of voting power is in proportion to ownership

Votigo is a controlled subsidiary of the Company. The Company acquired an interest in Votigo and entered into a voting agreement giving the Company the ability to elect the majority of the board.

Laughton Marketing Communications, Inc. dba US Sweepstakes and Fulfilment Company ("US Sweeps"), a Rochester, NY based sweepstakes and fulfilment company is a wholly owned subsidiary of Votigo. Votigo acquired US Sweeps on October 29, 2020. Promotions Activators Management, LLC ("Promotion Activators"), a company in the sweepstakes and contest administration space is a wholly owned subsidiary of Votigo. Votigo acquired Promotion Activators on April 1, 2022.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policy information set out below have been applied consistently to all periods presented in these consolidated financial statements.

Basis of Consolidation
Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to, directly or indirectly, govern the financial and operating policies of an entity so as to obtain benefits from its activities. Potential voting rights that are presently exercisable or convertible are taken into account in the assessment of whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Subsidiaries are deconsolidated on the date that control ceases.

The consolidated financial statements include the assets, liabilities, revenues and expenses of the Company's controlled subsidiaries. All inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Functional and Presentation Currency

The Company's and Exahash's functional currency and reporting currency is the Canadian dollar and transactions in foreign currencies are translated into Canadian dollars at rates of exchange at the time of such transactions. Monetary assets and liabilities denominated in foreign currencies are translated at reporting period rate of exchange. Non-monetary assets and liabilities denominated in foreign currencies are translated at historical exchange rates. Revenue and expenses denominated in foreign currencies are translated at the annual average exchange rate. Gains and losses resulting from the translation adjustments are included in net income (loss).

The functional currency of Votigo, US Sweeps, and Promotion Activators is the US dollar. The assets and liabilities of Votigo, US Sweeps, and Promotion Activators included in these consolidated financial statements are translated from functional currency to the Company's presentation currency using the exchange rates at period end. Income, expenses, and cash flow items included in these consolidated financial statements are translated from functional currency to the Company's presentation currency using the exchange rate that approximates the exchange rates at the date of the transactions (i.e., the average rate for the period). The differences arising upon translation from the functional currency to the reporting currency is recorded as foreign currency translation adjustment in the other comprehensive income and remain in the other comprehensive income until a subsidiary is partially or fully disposed of, or until the Company determines that it is abandoning all of the non-financial assets which are held by that subsidiary. Upon disposal, the corresponding foreign currency translation adjustment is removed from other comprehensive income as is recognized as realized foreign exchange gain or loss in net income.

Revenue Recognition

Revenue from contracts with customers is recognized according to the five-step process: when a contractual arrangement is in place, each performance obligation is identified, the fee is determined and allocated to each performance obligation, and the services have been provided to the customer. The Company derives revenue from the development, administration, and hosting of contests and sweepstakes on social media platforms. The Company's revenue recognition policy for these revenues is as follows:

(i) *Contest and One-Time Development* – revenue is recognized once the contest related services are performed as per contract specifications,
(ii) *Website Hosting and Contest Upkeep* – revenue is recognized evenly over the period of the contest,
(iii) *Fulfillment* – revenue is recognized when prize fulfillment is complete,
(iv) *Votigo Platform* – revenue is recognized evenly over the subscription period.

The Company's approach for recognizing revenue and deferred revenue is based on IFRS 15 guidance. Only revenue that has met the performance obligation criteria is recognized as revenue, transactions that has not satisfied the performance obligation are recorded as deferred revenue until performance obligations are met.

Intangible Assets and Goodwill

Intangible assets with finite lives consist of acquired technologies, software brand names and customer relationships. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives and are measured at cost less accumulated amortization and accumulated impairment losses.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Amortization commences once the underlying asset is complete and put into use. Cost for intangible assets acquired in a business combination represents the fair value of the asset at the time of the acquisition. Intangible assets acquired consists mainly of brand names, online platform, customer relationships, and non-compete agreements. Amortization of brand name, online platform and customer relations is calculated on a straight-line basis over their estimated useful lives of 10 years, amortization of the non-compete agreement is calculated on a straight-line basis over the length of the agreement.

Goodwill is not amortized but is reviewed for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may be impaired. Goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to the Cash Generating Unit (CGU) or group of CGUs to which it relates.

Equipment

Equipment is recorded at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance are charged to the consolidated statement of income (loss) and comprehensive income (loss) during the period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the consolidated statement of loss and comprehensive loss.

Depreciation is calculated on declining balance method whereby the depreciation rate is applied to the net book value of equipment. The depreciation rates applicable to each category of equipment are as follows:

Class of property, plant and equipment	Depreciation rate
Computer and office equipment	33%

Financial Instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income/loss.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash and restricted cash, trade and other receivables and loans receivable are measured at amortized cost with subsequent impairments recognized in profit or loss and investments are classified as FVTPL.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statements of financial position subsequent to inception and how changes in value are recorded. Accounts payable and accrued liabilities, term loans payable and long-term note payable are measured at amortized cost.

As at July 31, 2024 and 2023, the Company does not have any derivative financial liabilities.

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 are 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 consolidated statements of income (loss) and comprehensive income (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 consolidated statements of income (loss) and comprehensive income (loss) in the period in which they arise.

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss.

Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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 consolidated statements of loss and 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.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

Warrants
The proceeds from private placements that include warrants are allocated using the residual basis between the common shares and warrants. The residual value is determined after subtracting the fair value of the common shares from the proceeds of private placement. The value attributed to warrants is recorded in warrant reserves within equity. If the warrants are converted, the consideration paid, along with the amount previously recognized in warrant reserves, is recorded as an increase to share capital. Upon expiry of warrants, any value attributed is reclassified to share capital.

Share-Based Payments
Stock options issued are accounted for in accordance with fair value accounting for share-based payments. The fair value of each stock option granted is estimated on the date of grant using the Black-Scholes Option Pricing Model. The associated expense is charged to profit or loss with a corresponding increase to share-based payment reserves over the vesting period of the option. The amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Compensation expense for stock options granted to non-employees is recorded as an expense in the period at the earlier of the completion of performance and the date the options are vested using the fair value method.

As the options are exercised, the consideration paid, along with the amount previously recognized in share-based payment reserves, is recorded as an increase to share capital. For stock options which have expired or been forfeited, the amount previously recognized in share-based payments reserve is reclassified to deficit.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Comprehensive Income (Loss)
Comprehensive income (loss) is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income (loss) refers to items recognized in comprehensive income (loss) that are excluded from net income (loss). Other comprehensive income (loss) for the years ended July 31, 2024 and 2023 includes the foreign exchange gain for the translation of Votigo, US Sweeps, and Promotion Activator's financial statements, which are denominated in US dollars, to Canadian dollars being the reporting currency.

Income (Loss) per Share
Basic income (loss) per share is calculated by dividing the income (loss) attributable to common shareholders by the weighted-average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. The method requires computation as if the proceeds from the exercisable options and warrants would be used to purchase common shares at the average market price during the period. When a loss is incurred during the reporting period, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive. For the years presented, there are no dilutive stock options and share purchase warrants.

Impairment of Non-Financial Assets
The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

Impairment is determined by assessing if the carrying value of a CGU or group of CGUs, including the allocated goodwill, exceeds its recoverable amount determined as the greater of the estimated fair value less costs to sell or the value in use. The Company identifies CGUs as identifiable groups of assets that are largely independent of the cash inflows from other assets or groups of assets. Value in use calculations require estimations of discount rates and future cash flows derived from revenue growth, gross margin, and operating costs. Fair value less costs to sell calculations require the Company to estimate fair value of an asset or a CGU using market values of similar assets as well as estimations of the related costs to sell.

Impairment losses are recognized in profit or loss in the period in which the impairment is identified. Impairment losses recognized in respect of a CGU are allocated first to reduce the carrying value of goodwill allocated to the CGU or group of CGUs and any excess is allocated to the carrying amount of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the losses have decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Loans

Loans are separated into their liability and equity components, if any, on the consolidated statements of financial position. The liability component is initially recognized at fair value, determined as the net present value of future payments of interest and principal, discounted at the market rate for similar liabilities at the time of issue. The liability component is subsequently measured at amortized cost, using the effective interest method, until extinguished upon conversion or maturity.

The fair value of the equity component of debt is estimated using the residual method in which the difference between the face value of the instrument and the fair value of the liability component is allocated as the fair value of the equity component. The issuance costs are allocated on a pro-rata basis between the debt and equity components.

Income Taxes

Income tax expense consists of current and deferred tax expenses. Income tax expense is recognized in net loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized directly 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 provided using the balance sheet 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. Deferred taxes are not recognized for temporary differences related to the initial recognition of assets or liabilities that affect neither accounting nor taxable profit or investments in subsidiaries and equity investments to the extent it is probable that they will not be reversed in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet 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. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that asset.

Cash and Restricted Cash

Cash consists of cash and deposits held at call with banks. Restricted cash relates to cash received in advance for prize fulfilment.

Accounting Pronouncement Not Yet Adopted

IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively. The Company has not yet determined the impact of these amendments on its consolidated financial statements.

4. CASH AND RESTRICTED CASH

The Company's cash balances include amounts collected from customers by its subsidiaries (being Votigo, US Sweeps, and Promotion Activators) that are held for the purpose of prize and sweepstakes fulfilment.

	July 31, 2024	July 31, 2023
Cash	$ 1,775,447	$ 1,254,295
Restricted cash - prize fulfillment	849,951	831,357
	$ 2,625,398	**$ 2,085,652**

5. ACCOUNTS AND OTHER RECEIVABLES

	July 31, 2024	July 31, 2023
Trade and other receivables	$ 1,154,083	$ 1,599,935
GST recoverable	23,196	22,101
	$ 1,177,279	**$ 1,622,036**

6. LOANS RECEIVABLE

On March 15, 2022, the Company loaned $100,000 to SiteMax Systems Inc. The loan incurred an interest at a monthly rate of 2% and was repayable in six equal monthly instalments commencing six months from the date of the loan. On September 29, 2022, the Company loaned $60,000 to SiteMax Systems Inc. The loan incurred an interest at an annual rate of 10% and was due on October 29, 2022.

On October 27, 2022, the Company rolled the $100,000 loan made on March 15, 2022 and $60,000 loan made on September 29, 2022 into a newly issued convertible promissory note (Note 9). During the year ended July 31, 2024, the Company earned zero interest (2023 - $7,839) on the loans.

On March 24, 2023, the Company entered into a loan agreement with Karve for total proceeds of $150,000 to be issued in two equal distributions of $75,000. The loan is payable on demand, bears an interest at a monthly rate of 2% compounded monthly, and can be pre-paid in full. The first distribution was issued upon signing with the second distribution completed on June 23, 2023.

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

6. LOANS RECEIVABLE (CONT'D)

During the year ended July 31, 2024, the Company earned interest of $42,478 (July 31, 2023 - $8,406) on the loan.

On June 30, 2024, the Company entered into a loan agreement with Karve for total proceeds of $40,800. The loan is payable on demand, bears an interest at 12% per annum, and can be pre-paid in full. During the year ended July 31, 2024, the Company earned interest of $407 (2023 - $nil) on the loan.

On July 09, 2024, the Company entered into another loan agreement with Karve for total proceeds of $40,000. The loan is payable on demand, bears an interest at 12% per annum, and can be pre-paid in full. During the year ended July 31, 2024, the Company earned interest of $288 (2023 - $nil) on the loan.

The Company's loan receivable as at July 31, 2024 and 2023 was as follows:

Balance July 31, 2022	$	109,361
Loan advanced		210,000
Accrued interest		16,245
Loan repayment		(177,200)
Balance July 31, 2023		158,406
Loan advanced		80,800
Accrued interest		43,173
Balance July 31, 2024	**$**	**282,379**

7. INTANGIBLE ASSETS

Intangible assets acquired during the year ended July 31, 2020 are related to the acquisition of votigo, and consist mainly of brand names, online platform and customer relationship and goodwill upon acquisition. Amortization of brand name, online platform and customer relationship is calculated on a straight-line basis over their estimated useful lives of 10 years.

Intangible assets acquired during the year ended July 31, 2021 are related to the acquisition of US Sweeps, and consist mainly of brand names and customer relationships. Amortization of brand names and customer relationship is calculated on a straight-line basis over their estimated useful lives of 10 years.

Intangible assets acquired during the year ended July 31, 2022 are related to the acquisition of Promotion Activators, and consist of brand names, customer relationships, and a non-compete agreement. Amortization of brand name and customer relations is calculated on a straight-line basis over their estimated useful lives of 10 years, amortization of the non-compete agreement is calculated on a straight-line basis over the length of the agreement of 3 years.

In accordance with IAS 36.87, the Company allocates combined amounts of goodwill as one CGU: Votigo, US Sweeps and PA. The investments in Votigo, PA and US Sweeps were accounted for as business combinations. In accordance with IFRS 3 "Business Combinations", the assets acquired, and liabilities assumed are measured at their fair value at the acquisition date and the excess value of the consideration above the fair value of the net assets acquired is recognized as goodwill.

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

7. INTANGIBLE ASSETS (CONT'D)

The Company performed its annual test for goodwill impairment as at July 31, 2024. The Company did so by comparing the carrying value of the cash generating unit, consisting of Votigo, US Sweeps, and Promotion Activators, against its value-in-use. The value-in-use of a cash-generating unit requires the use of assumptions. The calculation uses cash flow projections covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated terminal growth rate of 2.0% (2023 – 2.5%). The value-in-use calculation includes cash flows relating to working capital based on historical activity. Cash flows are discounted using after-tax discount rates of 20% to 23% (2023 – 21% to 23%). The value-in-use of US$2,424,500 (2023 - $3,728,000) was determined to be lower than their carrying amounts and therefore $273,997 goodwill impairment was recorded in fiscal 2024 (2023 - $nil).

A summary of the Company's intangible assets are as follows:

		Brand name, Non-compete agreement, online platform and customer relationships	Goodwill	Total
Balance July 31, 2022	$	2,711,099	1,528,425	4,239,524
Amortization		(363,074)	-	(363,074)
Effect of foreign exchange		81,175	42,072	123,247
Balance July 31, 2023		2,429,200	1,570,497	3,999,697
Amortization		(367,779)	-	(367,779)
Goodwill impairment			(273,997)	(273,997)
Effect of foreign exchange		110,664	70,971	181,635
Balance July 31, 2024	**$**	**2,172,085**	**$ 1,367,471**	**$ 3,539,556**

8. INVESTMENTS

Investment in ThinkCX Technologies Inc. ("ThinkCX")

On August 30, 2018, the Company purchased 945,945 units of ThinkCX for $350,000. Each unit consisted of one Series 1 Class A preferred share and one Series 1 Class A preferred share purchase warrant. The warrants have since expired unexercised.

As at July 31, 2024, the fair value of the ThinkCX Series 1 Class A preferred shares is $350,000 (2023 - $392,527).

During the year ended July 31, 2023, the Company recorded a fair value loss of $42,527 (2023 –gain of $7,182) on its investment in ThinkCX.

Investment in SiteMax Systems Inc. ("SiteMax")

As at July 31, 2024 and 2023, the Company holds an aggregate of 1,364,594 SiteMax common shares, which represents 38.20% ownership interest. The Company determined that it does not have significant influence over SiteMax due to the fact that investee is controlled by its management who hold majority ownership of SiteMax. As at July 31, 2024, the fair value of the SiteMax common shares is $1,765,650 (2023 - $1,391,264).

8. INVESTMENTS (CONT'D)

On October 27, 2022, the Company exchanged its loans receivable with SiteMax for $177,200 convertible promissory note (Note 8). The note carries a simple interest rate of 8% per annum and matures two years from initial closing on October 27, 2024 and available on demand thereafter the maturity date. As a result of the exchange, the Company recognized a loss on debt extinguishment of $25,830. As at July 31, 2024, the fair value of the convertible note is $199,983 (2023 - $170,441).

During the year ended July 31, 2024, the Company recorded a fair value gain of $403,928 (2023 – loss of $215,965) on its investment in SiteMax.

Investment in 500 Startups Canada, L.P. ("500 Startups")
As at July 31, 2024, the fair value of the Company's investment in 500 Startups is $491,251 (2023 - $530,344).

During the year ended July 31, 2023, the Company received cash distribution of $4,904 from 500 Startups which was recognized as dividend income on the consolidated statements of income (loss) and comprehensive income (loss).

During the year ended July 31, 2024, the Company recorded a fair value loss of $39,093 (2023 – gain of $127,357) on its investment in 500 Startups.

Investment in Shop and Shout Ltd (DBA "Creator")
As of July 31, 2024, the Company owns 1,027,472 Class A common shares (2023 – 317,647) of Creator with a fair value of $2,953,232 (2023 – $838,588).

On August 30, 2022, the Company invested $300,000 in Creator in the form of a convertible promissory note carrying a 10% annual interest rate and due on August 30, 2023, and 100,000 share purchase warrants, where each warrant provides the right to purchase 1 Class A common share of Creator at $0.50 per for a period of two years from the date of issuance. On December 5, 2022, the Company made a follow-on investment of $200,000 into Creator in the form of a convertible promissory note carrying a 10% annual interest rate and due on August 30, 2023.

As at July 31, 2023, the fair value of the convertible promissory note was $1,873,898 and on August 30, 2024, the Company's convertible promissory notes of $500,000 plus accrued interest were converted into 709,825 Class A common shares.

As of July 31, 2024 and 2023, the Company also holds 100,000 warrants with the fair value of $287,427 (2023 - $216,190). The fair value of warrants was based on the price per share of the financing completed by Creator subsequent to year end (Note 21).

During the year ended July 31, 2024, the Company recorded a fair value gain of $309,775 (2023 – gain of $2,182,884) on its investment.

Investment in Karve IT Ltd. ("Karve")
As at July 31, 2024, the Company owns 310,000 shares of Karve, representing approximately 34.44% ownership of the investee.

On March 29, 2022, the Company entered into a Simple Agreement for Future Equity subscription agreement (the "SAFE") for an aggregate subscription price of $300,000.

The SAFE provides that the investment will be converted into common shares of Karve at a price equal to $3,000,000 divided by the capitalization of Karve. As at July 31, 2024, the fair value of the Company's SAFE investment is $300,000 (2023 - $300,000).

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

8. INVESTMENTS (CONT'D)

As a result of the additional investment pursuant to the original share subscription agreement, the Company obtained significant influence over Karve on April 1, 2022, and accordingly, equity method accounting was applied from that date forward.

For the year ended July 31, 2024, the Company recognized its share of Karve's net loss of $133,906 (2023 - $109,915) in the consolidated statements of income (loss) and comprehensive income (loss).

As at July 31, 2024, the Company's equity investment in Karve is $582 (2023 – $134,488).

Summarized financial information of Karve:

		July 31, 2024		**July 31, 2023**
Current assets	$	26,426	$	230,995
Non-current assets	$	143,076	$	227,628
Current liabilities	$	310,157	$	207,019
Non-current liabilities	$	300,000	$	300,000
Revenue	$	129,193	$	100,175
Net loss for the period	$	388,759	$	319,109
Net loss for the period attributable to Plank	$	133,906	$	109,915

Investment in East Side Games Group ("ESGG"), formerly Leaf Mobile Inc. ("Leaf")

As at July 31, 2024, the Company holds 167,409 shares of ESGG, of which are fully unrestricted (2023 – 167,409 of which 120,730 were unrestricted). The fair value of the unrestricted shares is determined by taking the number of unrestricted shares and multiplying by price per share prevailing on the market at the date closest to date of the financial statements. The fair value of the restricted shares was based on the number of restricted shares multiplied by the price per share prevailing on the market at the date closest to date of the financial statements with a discount applied for lack of marketability ("DLOM"). The DLOM reflects the impact of the restriction period on the fair value of the shares due to the time value of money, the risk of trading price fluctuation, and the opportunity cost of not being permitted to liquidate the restricted shares and use the proceeds in an alternative investment. As at July 31, 2024, the fair value of the ESGG common shares is $133,927 (2022 - $86,940).

During the year ended July 31, 2024, the Company received a cash dividend of $nil (2023 - $3,473) which was recognized as dividend income on the consolidated statements of income (loss) and comprehensive income (loss).

During the year ended July 31, 2024, the Company recognized a fair value gain of $46,987 (2023 –loss of $189,172) due to change in share price of ESGG and recognized a fair value gain of $Nil (2023 – $34,076) due to the DLOM discount in the consolidated statements of income (loss) and comprehensive income (loss).

Investment in CodeZero Technologies Inc. ("CodeZero")

As at July 31, 2024, the Company holds 585,892 series one preferred shares of CodeZero (2023 – nil) with a fair value of $429,000 (2023 - $nil). As at July 31, 2023, the Company held an investment in a convertible promissory note with a fair value of $328,270.

On September 15, 2021, the Company invested $300,000 in a convertible promissory note issued by CodeZero. The note was originally due on November 15, 2022 and subsequently amended to October 1, 2023 and carried a 6% annual interest rate. The note was converted into 585,972 series one preferred share on October 1, 2023.

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

8. INVESTMENTS (CONT'D)

During the year ended July 31, 2024, the Company recognized a fair value gain of $100,774 (2023 – loss of $12,490) on its investment in CodeZero.

Investment transactions for the year ended July 31, 2024 and 2023, are as follows:

Investments	Opening Balance	Purchases	Change in Fair Value	Equity Loss	Ending Balance
SiteMax	$ 1,628,000	$ 149,670	$ (215,965)	$ -	$ 1,561,705
500 Startups	402,987	-	127,357	-	530,344
CodeZero	340,760	-	(12,490)	-	328,270
ThinkCX	385,345	-	7,182	-	392,527
Creator	248,000	500,000	2,182,884	-	2,930,884
Karve	369,403	175,000	-	(109,915)	434,488
ESGG	242,036	-	(155,096)	-	86,940
Balance July 31, 2023	3,616,531	824,670	1,933,872	(109,915)	6,265,158
SiteMax	1,561,705	-	403,928	-	1,965,633
500 Startups	530,344	-	(39,093)	-	491,251
CodeZero	328,270	-	100,774	-	429,044
ThinkCX	392,527	-	(42,527)	-	350,000
Creator	2,930,884	-	309,775	-	3,240,659
Karve	434,488	-	-	(133,906)	300,582
ESGG	86,940	-	46,987	-	133,927
Balance July 31, 2024	**$ 6,265,158**	**$ -**	**$ 779,844**	**$ (133,906)**	**$ 6,911,096**

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	July 31, 2023	July 31, 2023
Payable to the shareholders of Promotion Activators (Note 16)	212,578	202,829
Accounts payable	191,828	250,803
Accrued liabilities	2,190,147	2,078,498
Total accounts payable and accrued liabilities	**$ 2,594,553**	**$ 2,532,130**

10. GOVERNMENT LOAN

On June 30, 2020 ("disbursement date"), the Company received a loan for gross proceeds of $204,420 (US$150,000) from the U.S. Small Business Administration under the Economic Injury Disaster Loan ("EIDL") program. The loan bears annual interest at a rate of 3.75% per annum. Monthly repayments US$786 will commence on December 1, 2022. The loan matures in 30 years on June 30, 2050.

The benefit of the government loan received at below market rate of interest is treated as a government grant. The loan was recognized at fair value using the Company's incremental borrowing rate of 20% per annum. The difference between the initial carrying amount and proceeds

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

10. GOVERNMENT LOAN (CONT'D)

received of $159,057 is the value of the grant.

During the year ended July 31, 2024, the Company recorded interest and accretion of $12,226 on the loan (2023 - $12,582).

The balances of the EIDL loan outstanding are as follows:

		July 31, 2024		July 31, 2023
Beginning balance	$	65,894	$	62,365
Interest and accretion		12,226		12,582
Payments		(19,678)		(10,543)
Effect of foreign exchange		3,356		1,490
EIDL Loan	**$**	**61,798**	**$**	**65,894**

The breakdown between current and non-current portion of the loan is as follows:

		July 31, 2024		July 31, 2023
Current portion	$	16,571	$	12,423
Long term portion		45,227		53,471
	$	**61,798**	**$**	**65,894**

11. RELATED PARTY LOANS

On August 30, 2018, the Company received a loan in the amount of $379,828 (US$300,000) from a company controlled by an officer. The loan is unsecured and bears interest at 10% per annum. Principal and any unpaid interest were due on August 30, 2020. The loan was originally recorded at face value of $379,828 less the value of the equity component of the loan of $57,836, determined by discounting the loan at an appropriate market rate of interest. On March 12, 2021, the loan was extended to mature on December 31, 2022. Due to the extended term, the Company recognized an equity component of $69,451 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest. On December 22, 2022, the loan was extended to mature on September 30, 2023. Due to the extended term, the Company recognized an equity component of $38,305 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. On October 1, 2023, the loan was extended to mature on December 31, 2023. Due to the extended term, the Company recognized an equity component of $10,253 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. On January 1, 2024, the loan was extended to mature on June 30, 2024. Due to the extended term, the Company recognized an equity component of $21,224 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. On June 30, 2024, the loan was extended to mature on December 31, 2024. Due to the extended term, the Company recognized an equity component of $23,736 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%.

During the year ended July 31, 2024, the Company recorded $123,410 (2023 - $108,315) in interest and accretion on the loan. The balance of the loan as of July 31, 2024, is $723,510.

On September 2, 2022, the Company received a loan in the amount of $100,000 from a company controlled by an officer. The loan is unsecured and bears interest at 10% per annum. Principal and any unpaid interest is due on December 31, 2022. The Company recognized an equity component of

11. RELATED PARTY LOANS (CONT'D)

$2,145 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On December 22, 2022, the loan was extended to mature on September 30, 2023. Due to the extended term, the Company recognized an equity component of $4,841 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On October 1, 2023, the outstanding balance of the loan of $110,900 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded $2,806 (2023 - $15,080) in interest and accretion on the loan.

On December 14, 2022, the Company received a loan in the amount of $200,000 from a company controlled by a significant shareholder. The loan bears an interest at an annual rate of 10% and matures on September 30, 2023, at which date the principal and interest are due in full. The Company recognized an equity component of $10,245 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On October 01, 2023, the loan was extended to mature on December 31, 2023. Due to the extended term, the Company recognized an equity component of $2,564 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On January 1, 2024, the loan was extended to mature on June 30, 2024. Due to the extended term, the Company recognized an equity component of $5,201 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On June 30, 2024, the outstanding balance of the loan of $234,769 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded $32,202 (2023 - $20,578) in interest and accretion on the loan.

On December 14, 2022, the Company received a loan in the amount of $50,000 from a company controlled by an officer. The loan bears an interest at an annual rate of 10% and matures on September 30, 2023, at which date the principal and interest are due in full. The Company recognized an equity component of $2,561 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On October 1, 2023, the outstanding balance of the loan of $53,947 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded $1,364 (2023 - $5,144) in interest and accretion on the loan.

On June 21, 2023, the Company received a loan in the amount of $50,000 from a company controlled by an officer. The loan bears an interest at an annual rate of 10% and matures on September 30, 2023, at which date the principal and interest are due in full. The Company recognized an equity component of $881 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On October 1, 2023, the outstanding balance of the loan of $51,384 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded $1,368 (2023 - $897) in interest and accretion on the loan.

On June 22, 2023, the Company received a loan in the amount of $350,000 from a company controlled by a significant shareholder. The loan bears an interest at an annual rate of 12% and matures on September 30, 2023, at which date the principal and interest are due in full. The Company recognized an equity component of $4,008 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On October 1, 2023, the outstanding balance of the loan of $361,622 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded

11. RELATED PARTY LOANS (CONT'D)

$9,440 (2023 - $6,190) in interest and accretion on the loan.

On December 31, 2022, the Company combined certain loans from a company controlled by a significant shareholder into a new loan with the principal balance of $3,673,028. The loan is unsecured and bears interest at 10% per annum. Principal and any unpaid interest is due on September 30, 2023. The Company recognized an equity component of $226,805 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 20%. On October 1, 2023, the outstanding balance of the loan of $3,946,744 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded $111,056 (2023 - $389,464) in interest and accretion on the loan.

On October 1, 2023, the Company combined certain loans from a company controlled by a significant shareholder into a new loan with the principal balance of $4,308,251. The loan is unsecured and bears interest at 12% per annum. Principal and any unpaid interest is due on December 31, 2023. The Company recognized an equity component of $60,097 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 19%. On January 1, 2024, the loan was extended to mature on June 30, 2024. Due to the extended term, the Company recognized an equity component of $122,843 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 19%. On June 30, 2024, the loan was extended to mature on December 31, 2024. Due to the extended term, the Company recognized an equity component of $133,864 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 19%. During the year ended July 31, 2024, the Company recorded $648,467 (2023 - $Nil) in interest and accretion on the loan. The balance of the loan as of July 31, 2024, is $4,639,914.

On October 1, 2023, the Company combined certain loans from a company controlled by an officer into a new loan with the principal balance of $216,232. The loan is unsecured and bears interest at 12% per annum. Principal and any unpaid interest is due on December 31, 2023. The Company recognized an equity component of $2,333 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On January 1, 2024, the loan was extended to mature on June 30, 2024. Due to the extended term, the Company recognized an equity component of $4,802 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. On June 30, 2024, the outstanding balance of the loan of $236,065 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded $26,968 (2023 - $Nil) in interest and accretion on the loan.

On January 31, 2024, the Company received a loan in the amount of $50,000 from a company controlled by an officer. The loan bears an interest at an annual rate of 12% and matures on June 30, 2024, at which date the principal and interest are due in full. The Company recognized an equity component of $801 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17%. On June 30, 2024, the outstanding balance of the loan of $52,492 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded $3,292 (2023 - $Nil) in interest and accretion on the loan.

On January 31, 2024, the Company received a loan in the amount of $250,000 from a company controlled by a significant shareholder. The loan bears an interest at an annual rate of 12% and matures on June 30, 2024, at which date the principal and interest are due in full. The Company

11. RELATED PARTY LOANS (CONT'D)

recognized an equity component of $4,003 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17%. On June 30, 2024, the outstanding balance of the loan of $262,459 was combined with other loans from the same lender into a new promissory note. During the year ended July 31, 2024, the Company recorded $16,462 (2023 - $Nil) in interest and accretion on the loan.

On June 30, 2024, the Company combined certain loans from a company controlled by an officer into a new loan with the principal balance of $288,557. The loan is unsecured and bears interest at 12% per annum. Principal and any unpaid interest is due on December 31, 2024. The Company recognized an equity component of $6,419 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. During the year ended July 31, 2024, the Company recorded $4,014 (2023 - $Nil) in interest and accretion on the loan. The balance of the loan as of July 31, 2024, is $286,152.

On June 30, 2024, the Company combined certain loans from a company controlled by a significant shareholder into a new loan with the principal balance of $497,228. The loan is unsecured and bears interest at 12% per annum. Principal and any unpaid interest is due on December 31, 2024. The Company recognized an equity component of $11,061 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 17.5%. During the year ended July 31, 2024, the Company recorded $6,917 (2023 - $Nil) in interest and accretion on the loan. The balance of the loan as of July 31, 2024, is $493,084.

On July 5, 2024, the Company received a loan in the amount of $40,800 from a company controlled by an officer. The loan bears an interest at an annual rate of 12% and matures on December 31, 2024, at which date the principal and interest are due in full. The Company recognized an equity component of $1,842 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 23.5%. During the year ended July 31, 2024, the Company recorded $615 (2023 - $Nil) in interest and accretion on the loan. The balance of the loan as of July 31, 2024, is $39,574.

On July 10, 2024, the Company received a loan in the amount of $60,000 from a company controlled by an officer. The loan bears an interest at an annual rate of 12% and matures on December 31, 2024, at which date the principal and interest are due in full. The Company recognized an equity component of $2,615 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 23.5%. During the year ended July 31, 2024, the Company recorded $761 (2023 - $Nil) in interest and accretion on the loan. The balance of the loan as of July 31, 2024, is $58,147.

On July 10, 2024, the Company received a loan in the amount of $225,000 from a company controlled by an officer. The loan bears an interest at an annual rate of 12% and matures on December 31, 2024, at which date the principal and interest are due in full. The Company recognized an equity component of $9,805 against the balance of the loan. The equity value was determined by discounting the balance of the loan at an appropriate market rate of interest of 23.5%. During the year ended July 31, 2024, the Company recorded $2,856 (2023 - $Nil) in interest and accretion on the loan. The balance of the loan as of July 31, 2024, is $218,051.

The loans are made up as follows:

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

11. RELATED PARTY LOANS (CONT'D)

		Liability component		Equity component
Balance July 31, 2022	$	3,339,349	$	686,607
Loans received net of equity portion		4,720,366		302,662
Impact of combination of loans		(3,673,028)		
Accrued interest and accretion (Note 14)		799,815		-
Effect of foreign exchange		47,395		-
Balance July 31, 2023		5,233,897		989,269
Loans received net of equity portion		5,512,605		423,463
Impact of combination of loans		(5,310,383)		
Accrued interest and accretion (Note 14)		992,001		-
Effect of foreign exchange		30,311		-
Balance July 31, 2024	**$**	**6,458,431**	**$**	**1,412,732**

12. SHARE CAPITAL

Authorized:
Unlimited number of common shares without par value.

Issued:
As at July 31, 2024, the Company had 17,740,019 common shares issued and outstanding (2023 – 17,740,019) of which nil (2023 – 4,486,848) are held in escrow.

Warrants
During the year ended July 31, 2023, all of the 3,798,667 warrants outstanding expired unexercised. As at July 31, 2024, the Company had no warrants issued and outstanding (2023 – Nil).

Stock Options

During the year ended July 31, 2019, the Company established a stock option plan (the "Plan"). The purpose of the Plan is to advance the interests of the Company by encouraging the directors, officers,

employees, and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire common shares of the Company thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

The aggregate number of shares that may be issued pursuant to the exercise of options awarded under the stock option plan and all other security-based compensation arrangements of the Company shall not exceed ten (10%) percent of the issued and outstanding shares immediately following the issuance of shares pursuant to the Plan of Arrangement.

Share-based payments of $54,696 were recorded for the vesting of stock options for the year ended July 31, 2024 (2023 – $135,837).

There were no stock options transactions during the years ended July 31, 2023 and 2024.

Stock options outstanding as at July 31, 2024 are as follows:

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

12. SHARE CAPITAL (CONT'D)

Outstanding (#)	Exercisable (#)	Exercise Price ($)	Remaining Life (Years)	Expiry Date
50,000	50,000	0.60	5.29	November 12, 2029
1,212,500	682,031	0.23	7.71	April 14, 2032
1,262,500	**732,031**	**0.24**	**7.61**	

13. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing, and controlling the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel. Fees charged by key management during July 31, 2024 and 2023 were as follows:

Period ended		July 31, 2024		July 31, 2023
Fees accrued for a company controlled by the CEO	$	124,558	$	128,579
Fees accrued for a company controlled by the CFO		3,000		3,150
Fees paid to a company controlled by the CFO		33,000		32,850
Fees paid to a company controlled by the CEO		267,639		247,990
Total	$	428,197	$	412,568

Out of the total:

$336,000 is included in management and consulting fees (2023 - $336,000)

$87,639 is included in professional fees (2023 - $70,919)

$4,558 is included in office and administration (2023 - $5,649)

In addition, share-based payments of $54,595 (2023 - $123,395) was earned by key management and directors.

Included in accounts payable and accrued liabilities is $573,000 (2023- $483,956) owing to companies controlled by directors and officers of the Company. Amounts payable to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

Interest and accretion recorded on related party loans to companies with a common director and officer or to companies controlled by directors and/or officers or by a director of a related company were $992,001 during the year ended July 31, 2024 (2023 - $799,815).

14. DEFERRED REVENUE

The continuity of deferred revenue is as follows:

Balance July 31, 2022	$	583,852
Additions		4,561,211
Revenue recognized		(4,688,600)
Effect of foreign exchange		115,651
Balance July 31, 2023		572,114
Additions		5,039,412
Revenue recognized		(5,010,894)
Effect of foreign exchange		27,440
Balance July 31, 2024	**$**	**628,072**

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

15. NOTE PAYABLE

On October 29, 2020, Votigo entered into an unsecured promissory note agreement in the amount of US$500,000 with respect to the purchase of 100% of the common shares of US Sweeps. US$250,000 of the promissory note was payable not later than 12 months after October 29, 2020, and the final US$250,000 was payable not later than 24 months after October 29, 2020. The promissory note was non-interest bearing and discounted at a market rate of interest of 15%. On October 28, 2022, Votigo paid the remaining instalment of US$250,000 to the previous shareholders of US Sweeps in cash.

On April 1, 2022, Votigo entered into a deferred payment agreement in the amount of US$660,000 with respect to the purchase of 100% of the common shares of Promotion Activators. The amount is non-interest bearing, discounted at a market rate of interest of 11%, and payable in four equal instalments of US$165,000, on the anniversary of the transaction. On March 30, 2024 and 2023, Votigo paid the first and second instalment of US$165,000 to the previous shareholders of Promotion Activators in cash.

Continuity of short-term note payable included in accounts payable and accrued liabilities (Note 9):

		July 31, 2024
Balance July 31, 2022	$	507,220
Loan accretion		33,473
Loan repayment		(546,846)
Transferred from long-term payable		202,829
Effect of foreign exchange		6,153
Balance July 31, 2023 (Note 9)		202,829
Loan accretion		15,052
Loan repayment		(227,849)
Transferred from long-term payable		212,578
Effect of foreign exchange		9,967
Balance July 31, 2024 (Note 9)	**$**	**212,578**

Continuity of long-term note payable:

		July 31, 2024
Balance July 31, 2022	$	481,227
Loan accretion		48,718
Transferred to short-term payable		(202,829)
Effect of foreign exchange		19,575
Balance July 31, 2023		346,691
Loan accretion		39,890
Transferred to short-term payable		(212,578)
Effect of foreign exchange		17,261
Balance July 31, 2024	**$**	**191,264**

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

16. ACQUISITION AND NON-CONTROLLING INTEREST

(a) Votigo

As of July 31, 2024 and 2023, the Company owns 40.62% of Votigo's total outstanding issued shares (834,349 Series A and 1,111,111 Series B Convertible Preferred Share) and is the sole owner of Series B Shares. In accordance with IFRS 10, the Company has control over Votigo due to the special rights provided to holders of Series B Shares. The holders of Series B Shares have certain protective provisions whereby Votigo must obtain the consent from a majority of the holders of Series B Shares prior to entering into certain transactions. In addition, the Company entered into a voting agreement which gives the Company the right to appoint the majority of the directors of Votigo.

(b) US Sweeps

As at July 31, 2024 and 2023, Votigo owns 100% of US Sweeps. Laughton Marketing Communications, Inc. dba US Sweepstakes and Fulfillment Company ("US Sweeps"), a Rochester, NY based sweepstakes and fulfilment company.

(c) Promotion Activators

As at July 31, 2024 and 2023, Votigo owns 100% of Promotion Activators, a company in the sweepstakes and contest administration space. The Company has certain remaining instalment payments due on each anniversary of the original transaction (Note 15).

The noncontrolling interests of the group consisted of the following:

Balance July 31, 2022	$	1,320,645
Share of net loss		383,103
Effect of foreign exchange		(38,725)
Balance July 31, 2023		1,665,023
Share of net loss		(26,735)
Effect of foreign exchange		(24,649)
Balance July 31, 2024	**$**	**1,613,639**

The following is a summarized consolidated statement of financial position of Votigo, US Sweeps, and Promotion Activators at July 31, 2024 and 2023:

	July 31, 2024		**July 31, 2023**
Current:			
Assets	$ 3,643,345	$	3,525,774
Liabilities	(2,463,294)		(2,493,559)
Total current net assets	1,180,051		1,032,215
Non current:			
Assets	2,024,817		1,756,189
Liabilities	(654,435)		(803,980)
Total non-current net assets	1,370,382		952,209
Total net assets	$ 2,550,433	$	1,984,424

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

16. ACQUISITION AND NON-CONTROLLING INTEREST (CONT'D)

The following is a summarized consolidated statement of comprehensive income (loss) of Votigo, US Sweeps, and Promotion Activators for the years ended July 31, 2024 and 2023:

	July 31, 2024	July 31, 2023
Revenue	$ 5,196,002	$ 4,057,299
Net loss and comprehensive loss	$ (45,023)	$ 296,705

17. CAPITAL MANAGEMENT

The Company defines capital as an aggregate of its equity. The Company manages its capital structure to ensure it has sufficient capital to meet its obligations as they come due. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

18. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Unobservable inputs that are supported by little or no market activity, therefore requiring an entity to develop its own assumptions about the assumption that market participants would use in pricing.

The fair value of the Company's cash and restricted cash, trade and other receivables, loans receivable, accounts payable and accrued liabilities approximates their carrying values. The carrying value of the Company's term loans payable and long-term notes payable are measured at the present value of the discounted future cash flows. The Company's listed company investments are measured

at fair value using Level 1 inputs. The Company's private company investments are measured at fair value using Level 3 inputs.

Specific valuation techniques are used to fair value financial instruments, specifically those that are not quoted in an active market. These are development stage companies, as such the Company utilized a market approach:

- The use of quoted market prices in active or other public markets
- The use of most recent transactions
- Black-Scholes Option Pricing Models

There were no transfers between levels during the year ended July 31, 2024 and 2023.

Financial Risk Factors

The Company has exposure to the following risks from its use of financial instruments:

18. FINANCIAL INSTRUMENTS (CONT'D)

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. All of the Company's loans payable, note payable and investments have a fixed interest rate therefore the Company is not currently exposed to interest rate risk.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company's receivables consist of trade receivables, loan receivable and government sales tax receivable. Based on the evaluation of receivables as of July 31, 2024, the Company believes that its receivables are collectable and management has determined that the credit risk is low. Credit risk of cash and restricted cash is low as cash balances are held at reputable financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

Market Risk

Market risk is the risk that investments in shares of publicly traded companies will decline in value as a result of a decline in prices quoted in open markets. The Company is exposed to market risk as it owns shares in ESGG.

Currency Risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to foreign currency exchange risk as it has sales and contracts denominated in currencies other than the functional currency of the Company and its subsidiaries.

The Company's reporting currency is the Canadian dollar and as such the Company is exposed to foreign currency fluctuations on its US dollar denominated financial instruments. As at July 31, 2024, the Company had US dollar denominated cash of US$328 (2023 – US$5,444), loans receivable of US$620,705 (2023 – US$564,137) and loans payable of US$538,361 (2023 – US$474,310). As at July 31, 2024, a 10% change in exchange rates between US dollars and Canadian dollars would impact the Company's net income by approximately $11,416 (2023 – $12,554).

19. SEGMENT INFORMATION

During the year ended July 31, 2024 and 2023, the Company had two geographical areas and two operating segments, being investing activities (Canada) and online promotions (United States of America). Revenue and assets by geography are presented below:

As at and for the year ended July 31, 2024:

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

19. SEGMENT INFORMATION (CONT'D)

		Canada		USA		Total
Revenue	$	-	$	5,196,002	$	5,196,002
Amortization	$	-	$	368,533	$	368,533
Interest expense	$	991,885	$	70,209	$	1,062,094
Fair value gain on investments	$	779,844	$	-	$	779,844
Net income (loss)	$	(982,236)	$	(334,020)	$	(1,316,256)
Current assets	$	533,520	$	3,643,345	$	4,176,865
Non current assets	$	8,434,371	$	2,024,817	$	10,459,188
Non-controlling interest	$	-	$	1,613,639	$	1,613,639

As at and for the year ended July 31, 2023:

		Canada		USA		Total
Revenue	$	-	$	5,383,192	$	5,383,192
Amortization	$	-	$	376,231	$	376,231
Interest expense	$	809,750	$	88,645	$	898,395
Fair value gain on investments	$	1,866,057	$	67,815	$	1,933,872
Net income (loss)	$	157,068	$	695,324	$	852,392
Current assets	$	372,107	$	3,525,774	$	3,897,881
Non current assets	$	7,944,045	$	2,326,761	$	10,270,806
Non-controlling interest	$	-	$	1,665,023	$	1,665,023

20. INCOME TAXES

A reconciliation of the calculated income taxes for the fiscal years ended July 31, 2024 and 2023 are as follows:

		July 31, 2024		July 31, 2023
Combined federal and provincial statutory income tax rates		27.02%		27.35%
Accounting income (loss) before income taxes	$	(1,253,015)	$	732,833
Expected income tax (expense)/recovery at statutory rates		(338,607)		200,402
Non-deductible expenditures		220,920		250,299
Other		119,218		(51,476)
Change in valuation		(1,530)		(405,443)
Deferred Income tax (recovery) expense	$	-	$	(6,218)

The Company did not recognize the following deferred tax assets for the following deductible temporary differences:

(Expressed in Canadian Dollars for years ended July 31, 2024 and 2023)

20. INCOME TAXES (CONT'D)

	July 31, 2024	July 31, 2023
Non-capital losses	$ 709,712	$ 535,309
Intangible Assets	(422,947)	(403,819)
Investments	(709,712)	(535,309)
Net deferred tax liabilities	(422,947)	(403,819)

Temporary difference for which no deferred tax assetes were not recognized

	July 31, 2024	July 31, 2023
Non-capital losses	$ 4,390,135	$ 1,772,588
Goodwill	18,281	24,923
Fixed assets	225,562	224,752
Total	4,633,978	2,022,263

As at July 31, 2024, the Company has non-capital loss carry-forward of $2,556,936 that it can apply against income in future years.

21. SUBSEQUENT EVENTS

On August 30, 2024, The Company exercised it's warrants of Creator (Note 8) and purchased 100,000 Class A common shares at $0.50 per share.

On October 21, 2024, the company terminated it's $300,000 SAFE in Karve (Note 8) and issued new promissory notes equivalent to the SAFE amount. The loan is on demand and bears interest at 12%.